صكنامن الاصل

A SPECIAL REPORT
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FASHION Part II

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PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper — Paris, Friday, October 17, 1997 — No. 35,654

Contortions Over Sanctions

Can U.S. Punish Russia's Gazprom for Deal With Iran?

By David E. Sanger
New York Times Service

WASHINGTON — In the next few weeks the Clinton administration will face the first test of its willingness to make good on a threat to punish foreign companies that invest in Iran.

But the State Department is not exactly leaping at the chance to teach a lesson to Russia's premier private company, Gazprom, for a $2 billion deal with French and Malaysian companies to pump natural gas off the Iranian coast.

Instead, officials are discovering anew that imposing sanctions on foreign companies that defy American policy — in this case by doing business with a country that the United States asserts supports terrorism — raises numerous unforeseeable problems.

The issue is not whether Washington can stop the investment in Iran. That is clearly beyond its reach. Instead, it is whether Gazprom should be allowed to raise $1 billion in world financial markets, including the United States, next month — money that will go right into the company's coffers just as it is preparing to write the Iranians a fat check.

But stopping that deal threatens to unravel delicate negotiations with European allies over U.S. sanctions policy and to interfere with Washington's efforts to stabilize the rickety Russian economy. To make matters worse, it could also mean going up against one of President Bill Clinton's biggest financial supporters in last year's campaign: Goldman, Sachs & Co.

The Wall Street firm, whose former co-chairman, Robert Rubin, is now the Treasury secretary, is underwriting the Gazprom bond offering. The company fought long and hard to get Gazprom's business, and many European investment houses would dance with glee if Washington were to get in Goldman's way.

Even Stuart Eizenstat, undersecretary of state for economics, business and agriculture, concedes that if America tried to aim at Iran, the bullet would ricochet everywhere.

"This is a matter which has important implications for our policy to deter Iran from acquiring weapons of mass destruction and supporting terrorism," he said Wednesday. But it

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Under Fire: New Museum in Basque Capital

Santiago Lyon/The Associated Press

The Guggenheim museum to be inaugurated Saturday in Bilbao has angered everyone from separatists to artists and architects, one of whom called it a big cauliflower. Page 2.

The Victor Gloats Over Return to Brazzaville

Sassou-Nguesso Has Arsenal of Charm And Deadly Ambition

By Howard W. French
New York Times Service

ABIDJAN, Ivory Coast — Declaring himself victorious in a five-month civil war that ravaged his country's capital, Brazzaville, the Republic of Congo's new de facto leader, Denis Sassou-Nguesso, on Thursday quickly took to mocking Pascal Lissouba, the sitting president whom he had just defeated.

General Sassou-Nguesso had nothing but scorn for his longtime rival's claim that he is still the legal head of state of the Republic of Congo, an assertion that Mr. Lissouba made Thursday in an international radio interview, supposedly from a hiding place somewhere in the countryside.

"Luckily ridicule isn't lethal," General Sassou-Nguesso said, dismissing Mr. Lissouba as a man who "has ruined his country during five years of rule, who has provoked two civil wars and has killed thousands of people."

What General Sassou-Nguesso, 54, left unmentioned was his own disastrous record in 13 years in power, his share of responsibility for the country's history of political violence, or the uncertain prospects of his country and of democratic governance under his rule.

General Sassou-Nguesso is regarded by many of his African peers as a man who marries extraordinary charm with limitless personal ambition. The turbulent history of his small nation also shows him to be a ruthless survivor in a national political scene that has been characterized since independence from France in 1960 by continual intrigue and a quick reflex to violence.

As a Marxist dictator during 13 years of rule that began in 1979, he managed where others before him had failed, somehow remaining a darling of the Soviet Union and an ally of Paris.

"This is as smooth an operator as one is likely to come across," said a senior official of an African government. "Some people triumph by having others underestimate them. Denis has always managed to survive and rebound even though people know he is dead serious."

Known as a Pierre Cardin Marxist for

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Not Your Typical Takeover Fight

Competing Bids for MCI Pit Cash Offer Against Stock

By Floyd Norris
New York Times Service

NEW YORK — Never has there been a takeover battle like the one for MCI Communications Corp., the second-largest long-distance U.S. telephone company. In your normal takeover battle, the price only goes up. In this one, the price gyrates in both directions.

The latest offer came Wednesday, with word that GTE Corp., the big local telephone company, was willing to pay $40 a share to take over MCI Communications. Not a bad price, except that the highest bid on the table now is $41.50 a share from WorldCom Inc.

Would anyone really be willing to consider the lower bid? The answer is yes. The GTE proposal may very well be a better offer for all of MCI's shareholders as a group, even though it is almost certainly inferior for any individual holder.

That is because WorldCom is not offering cash. It is offering WorldCom stock. It will exchange enough of its shares to have a market value of $41.50 for each MCI share — assuming that WorldCom stock is trading in a range of $34 to $40 a share in the days leading up to completion of the deal.

GTE, on the other hand, is offering all cash, though it expressed willingness to make the deal part cash and part stock, if MCI preferred.

See DEAL, Page 12

AGENDA

U.S. Imposes Port Ban On Japanese Vessels

The U.S. Maritime Commission has ordered the Coast Guard to ban Japanese cargo vessels from American ports and told the Customs Service to seize ships currently in port. The agency acted after Japan's three international carriers said they would not pay $100,000-a-voyage fines it had imposed in a dispute over what it says are restrictive port practices in Japan. Page 15.

Doug Mills/The Associated Press

VICTORY —Jose Mesa, Indians' reliever, celebrating the last out as Cleveland advanced to the World Series. Page 25.

CIA Bares Its Big Secret: Costs of Spying

By Tim Weiner
New York Times Service

WASHINGTON — Abruptly abandoning 50 years of secrecy, the CIA has disclosed how much money the United States is now spending annually for intelligence — $26.6 billion.

With a one-sentence fax message to a lawyer who sued to obtain the information, the Central Intelligence Agency let fall a pillar of Cold War policy, ending its argument that obeying the U.S. Constitution's commands for a public budget would irreparably harm national security.

Before the CIA message sent Wednesday afternoon, disclosing the sum was legally tantamount to espionage.

The decision ended a 30-year legal battle, fought in the courts and in Congress, to compel the agency to comply with the constitution, which says the government must publish a "regular statement and account" of its spending.

When the agency was founded 50 years ago, the Cold War was deemed a valid reason to keep the level of spending secret.

That secrecy persisted well after the hammer and sickle came down from the Kremlin at the end of 1991, although in truth the spending figure was a secret poorly kept.

Today, the agency, which itself spends about $3 billion a year, presides over a covertly appropriated cache of money from which billions are drawn by other government intelligence agencies, including the National Security Agency, which conducts global communication monitoring, and the National Imagery and Mapping Agency, which makes photographs and maps from space.

The director of central intelligence, George Tenet, said President Bill Clinton authorized the disclosure, which an agency spokesman said was required by a lawsuit under the Freedom of In-

See ESPIONAGE, Page 12

Growth and the Environment Clash

India's Soaring Energy Needs Pose Global Ecological Dilemma

By Kenneth J. Cooper
Washington Post Service

NEW DELHI — Unexpectedly, on any given day, irrigation pumps in agricultural fields run dry, heavy machines in factories shut down and lights go out in offices. India does not have enough electricity to go around, making unscheduled power cuts almost a routine part of daily life.

Experts estimate that this huge country needs to nearly double its power generation in the next decade to meet its goals of accelerating economic growth and reducing poverty, which afflicts about 40 percent of India's 950 million people. But the cheapest and most available source of fuel for India's power plants, low-grade coal from nationalized mines, also happens to be the dirtiest.

To continue growing, it looks as if the world's second-most-populous country will have to pollute more.

India's dilemma puts it near the center of an international conflict that pits the global environment against development and the prosperous nations of the north against the developing countries of the south.

At issue are plans to slow global warming by curbing so-called greenhouse gases — mainly emissions of carbon dioxide that are spewed from power plants and factories.

Many environmentalists from wealthy countries say nothing less than the Earth's future is at stake. But for poor countries, strict curbs on emissions also reduce the possibility that more of their citizens will enjoy anything close to the comfortable lifestyles that are taken for granted in rich countries.

The debate has particular significance for India. Economic growth is pulling some of its enormous population out of poverty and creating a new middle class, but at the same time the country's increasing need for

See INDIA, Page 4

The New York Times

Arthur Sulzberger of The Times.

Times's Sulzberger Is Replaced by Son

Arthur Ochs Sulzberger, 71, is stepping down as chairman and chief executive of The New York Times Co. after 24 years at its helm, to be replaced as chairman by his son, the company said Thursday.

Arthur Sulzberger Jr., 46, will remain publisher of the company's flagship newspaper in addition to his new post.

The company also announced that Russell Lewis, company president, would add the title of chief executive and report to the new chairman. Michael Golden, vice president, was named vice chairman and a board member.

The changes came on the day that The Times displayed color photographs on its front page for the first time. Also on Thursday, it posted third-quarter profits higher than Wall Street's expectations. Page 15.

Adriatic Ship of Despair

Italy Slams the Door on Albania's 'Clandestini'

By Richard Boudreaux
Los Angeles Times Service

ABOARD THE ILLYRIA, in the Adriatic Sea — Just before 11 each night, a convoy of police vans rolls into the Italian port of Brindisi and unloads a human cargo onto the gangplank of this triple-decker ferry. One by one, the outcasts board for the dreaded voyage.

They are *clandestini*, undocumented Albanian migrants rounded up across Italy on a recent evening and forced homeward in an effort to reverse one of post-Cold War Europe's most desperate, volatile and troublesome migrations.

From Brindisi's inky harbor across a moonlit Adriatic, the Illyria was trailed that night by five police vessels and a helicopter — a final warning that Italy has run out of hospitality for these ragged refugees from Europe's poorest country.

Since Italy began its crackdown last month, the Illyria has become as much a vessel of despair as one of hope. Long a means for job-seeking Albanians to reach Italy with false entry visas, it has hauled away most of the nearly 1,000 clandestini expelled so far.

Afrim Muhameti, 28, has made the voyage in both directions. Twice deported from Italy aboard the Illyria, he once dove off its upper deck in a futile escape attempt. His odyssey sheds light on the Albanians' grim determination to flee and their shrinking odds of making it in an Italy now equally determined to keep them out.

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Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1 600 CFA	Qatar	10.00 QR
Egypt	£E 5.50	Réunion	12.50 FF
France	10 00 FF	Saudi Arabia	10 SR
Gabon	1 100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 Ptas
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

The Dollar		
New York	Thursday @ 4 P.M.	previous close
DM	1.7465	1.7472
Pound	1.6177	1.6238
Yen	119.47	121.075
FF	5.8556	5.861

The Dow		
change	Thursday close	previous close
-119.1	7938.88	8057.98

S&P 500		
change	Thursday @ 4 P.M.	previous close
-10.47	955.25	965.72

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The IHT on-line www.iht.com

Now Showing: Clinton Courts Donors

New Batch of Videotapes Details Extent of the Campaign Cash Pursuit

By John M. Broder
New York Times Service

WASHINGTON — There was President Bill Clinton with his "good friend" John Huang saying he was overwhelmed by the outpouring of Asian-American support for his campaign.

And there he was again with Yah Lin Trie, the entrepreneurial Little Rock restaurant owner, joking that 20 years ago neither of them could have afforded a ticket to the fund-raising luncheon they were attending.

In another videotape moment, he was serving as tour guide in the Green Room of the White House for a group of influential visitors, including Martin Davis, who recently pleaded guilty to conspiracy and fraud charges arising from last year's Teamsters election.

The snippets are found in 100 hours of videotapes turned over to federal investigators that show President Clinton courting Democratic donors and fund-raisers in the 1996 campaign. Whether or not they reveal any behavior that could prove legally troublesome for the president and his advisers, they further undercut Mr. Clinton's claims that he was detached from the details of fund-raising and add detail to the unfolding tale of the Democrats' pursuit of campaign cash.

The tapes show the president chasing money in a variety of settings, from meals with small groups in the White House Blue Room to mass entreaties of scores of contributors in hotel ballrooms. They provide images of Mr. Clinton in the company of people like Mr. Trie and Mr. Huang, who have become central characters in the campaign finance investigation. Much of the money the two men raised for the Democrats has been returned because of questions about its origin.

Of the thousands of images of Mr. Clinton captured over the past five years, these routine and redundant moments may be among the most enduring.

Pauline Kanchanalak, a Thai-American businesswoman suspected of contributing tainted money to Mr. Clinton's 1996 campaign, was greeted this way by the president at an October 1994 White House meeting: "Hello, Pauline. How are you?"

"Hi, Johnnie, how you doing?" Mr. Clinton asks at an Oval Office radio address attended by Johnnie Chung, the California entrepreneur, who national security aides tried to block from White House access, but who nonetheless got into the Oval Office at around the same time he was making big donations to the Democratic Party.

Moments after he enters the picture, Mr. Chung is escorting a stream of Chinese officials to meet an awkward-looking Mr. Clinton. After one hands him a memento from Asia, a rock-like paperweight bearing the word "Longevity" in Chinese, Mr. Clinton says, "Longevity, we need more of that."

But perhaps the most searing image for the White House is on a videotape of a radio address on Sept. 10, 1994. After the speech, Mr. Clinton is seen conferring closely with the two central figures in the investigations: Mr. Huang and his former employer, James Riady. Mr. Riady, an Indonesian billionaire whose family controls a financial conglomerate, is a longtime friend of Mr.

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Sectarian Violence / **An Innocent Victim**

A Tragic Story of Young Lovers in Ulster

By Warren Hoge
New York Times Service

AGHALEE, Northern Ireland — Drive up and over the bowed stone bridge, pass by Ballycairn Road on the left and the Lock-Keeper's Inn on the right, and you are in a blink's bend in the lane called Aghalee.

It has a store, a gas station, a pub and the unwanted distinction of being the last place where someone died in the sectarian violence that has cost more than 3,220 lives since 1969.

In the early morning of July 15, a man presumed to be from a Protestant paramilitary group shot and killed Bernadette Martin, 18, a Catholic, as she slept in the farmhouse of the family of Gordon Green, 19, her Protestant boyfriend. The day after her funeral, the Irish Republican Army resumed a cease-fire that has so far halted the killing in Ulster.

With peace talks under way in the Castle Buildings in nearby Belfast, this village stands a remote chance of becoming the place where the last person ever died in the 28-year "Troubles."

"It would be a fitting tribute to Bernie," said Rodney McCafferty, personnel manager of the food-processing factory in Lurgan, where the teenagers met and fell in love. "There are innocent victims and innocent victims, but she was a totally, totally innocent victim."

Carlos R. Lopez Barillas/The New York Times

It hadn't occurred to Gordon Green, a Protestant, and Bernadette Martin, a Catholic, that their Romeo and Juliet relationship might provoke paramilitary killers.

Bernadette was so detached from the violent politics of Northern Ireland that she once asked her father whether the IRA were Catholics or Protestants. Avondale Foods, where Bernadette made sandwiches and Gordon dried vegetables for prepared salads, was a "mixed" workplace, an oasis from the intolerance outside the plant gates that might have bred in them a misleading sense of security.

There have been four sectarian killings in two years now in this pastoral area of cornfields, cows and roads flecked with wind-tossed thistledown.

Hadn't it occurred to Gordon and Bernadette that their Romeo and Juliet relationship might provoke the paramilitary thugs who are known to inhabit this deceptively peaceful region?

"It never crossed my mind," the sad-eyed young man said, sitting in the living room of the house where she was shot and killed. He showed a visitor a picture of the two of them playfully kissing.

Five miles (eight kilometers) away, in her house with its tidy garden of begonias and roses, Margaret Martin said she had been concerned for Gordon when he came to their largely Catholic neighborhood of Pineside but never for her daughter when she spent the night with the Greens in Protestant Aghalee.

BERNADETTE'S father, Laurence Martin, is a long-distance truck driver. Gordon and Bernadette had met on a bus going to the company dance party last Christmas, and those who were there remember it as teenage love at first sight. It was a complementary mix, she high-spirited and cheerful with tumbling blond curls, he quiet and retiring, with dense eyebrows and straight black hair combed over his forehead accentuating a brooding look.

"You know, it's funny to look out there and not see them walking around," Mr. McCafferty said, glancing toward the window overlooking the parking lot and loading platform between the two red brick buildings of the plant, where Bernadette and Gordon would wander hand-in-hand on their way to a trailer for their smoking breaks. Mr. McCafferty remembered frequently scolding them for coming to work late and smiled at the recollection of what effect his warnings had. "They were so wrapped up together that it went in one ear and right out the other," he said.

On the evening of July 14, Bernadette and Gordon left work and went first to her house, then into the town of Lurgan. They later called Gordon's mother, Josie Green, to come fetch them and take them to Aghalee, where Bernadette often spent the night in the room of Gordon's sister.

They had a drink and played pool in the Lock-Keeper's Inn and then strolled the 500 yards up Soldierstown Road to the Green house. There they made sandwiches and went up to Gordon's room, where they were joined by his sister. They talked, smoked and eventually fell asleep without undressing sometime after 2:30 A.M.

At 4 A.M. Gordon woke up to an explosive sound. "I asked her what that noise was and then I saw the blood," he said.

Someone was running down the stairs, he remembers. The gunman had shot her four times in the head point-blank.

"There was a lot of blood coming out of her nose, and her mouth was all clogged up with blood," he said. "She'd put her hand up to cover her face, and there was blood coming out of her fingers."

She was unconscious but still breathing when the ambulance took her to Craighaven Hospital. She was transferred to the intensive care unit at Royal Victoria Hospital in Belfast. She never regained consciousness, and at 4 P.M., with members of hers and Gordon's family at her bedside, doctors cut off the life-support machine.

The police have arrested a 36-year-old local man in the case and charged him with murder. The crime is categorized as political, though a spokesman for the Royal Ulster Constabulary in Belfast would not release the name of the suspect or confirm whether he was a member of a paramilitary force.

Did Gordon Green think the suspect had been at the pub the night he and Bernadette had their drink? "No, there were just friends there," he said.

What else did he know about him? "I'm not allowed to talk about that," he said.

Mrs. Martin said that the last thing she wanted was revenge. "A lot of people have said they can't understand my feelings," she said. "But I have enough to deal with, with my grief, without dealing with anger, too." The family's desire is that Bernadette's killing be the last. "That's the only thing that's keeping her father and me going," she said.

Brawling Over a Museum In the Basque Heartland

Even Picasso's 'Guernica' Is Part of the Fight

Agence France-Presse

BILBAO, Spain — The extravagant Guggenheim art museum to be opened here Saturday in the presence of Spain's royalty is being cast as a symbol of Basque economic revival, but already separatist violence has cast a shadow over plans.

Scarcely less violent are the attacks from the region's artists, who have described the titanium-covered structure, by the California architect Frank Gehry, as a Disney-style art museum symbolizing U.S. cultural colonialism.

On Monday, the police discovered grenades planted outside the museum, thus apparently foiling a plot by the Basque separatist group ETA to set off explosives during the inauguration to be attended by King Juan Carlos I.

Fierce criticism of the Guggenheim continues, as the artist Jorge Oteiza demonstrated when he likened the project to a Disney-style approach to art and the building to "a cheese factory."

Some critics said they would hold an anti-Guggenheim demonstration at the opening of the museum, which their spokesman, Inaki Uriarte, a Basque architect, called "a colossal Californian cauliflower" that "has nothing to do with the world of culture."

Mr. Gehry said he wanted the museum, which includes some 10,000 square meters (90,000 square feet) of exhibition space, to be human in scale.

Defending the project, the director of the Guggenheim Foundation in New York, Thomas Krens, said the Bilbao Guggenheim Museum would be good for business, given the revenues it would bring the city and the region.

Bilbao was badly hit by the 1970s economic crisis that brought the closure of shipyards and steelworks. It received a reconversion grant of $1.5 billion, of which the Guggenheim project is one of the main beneficiaries. The decision was attacked by a city council member, Ibon Arbulu, who represents Herri Batasuna, the political wing of ETA.

One factor in the dispute over the museum that seems to unite all sides in the region is the plan to house Picasso's masterpiece from the Spanish civil war, "Guernica," albeit on a temporary basis. But the Reina Sofia contemporary art museum in Madrid, which holds the painting, has refused to lend it to the Guggenheim, despite a vote in Parliament favoring the move. The Madrid museum cited the extreme fragility of the work, completed in 1937.

Mr. Krens, a vigorous campaigner for the painting's display at Bilbao, contested this, saying that it had been shown in 35 cities since its completion.

The Guggenheim seems determined to house "Guernica," particularly since the museum is planning an exhibition, "Picasso and the War," in two years, and they consider it would be incomplete without "Guernica."

Currently, Bilbao's new museum, squeezed between a highway and a railroad track in the center of the Basque capital, houses a range of 20th-century art, from the cubists, Picasso, Kandinsky and Matisse to experiments in technologic art. The inaugural exhibition includes about 250 works, most of which were part of the 6,000 pieces held by the foundation in New York.

Bodyguard Joins Suit in Diana Crash

The Associated Press

PARIS — Trevor Rees Jones, the bodyguard who was the sole survivor of the car crash that killed Diana, Princess of Wales, has joined the investigation as a civil party, allowing him to sue for damages, judicial sources said Thursday.

By joining the investigation, Mr. Rees Jones would have access to all court papers. Should criminal charges be filed, Mr. Rees Jones could seek damages against any future defendant. As a civil party to the case, Mr. Rees Jones can now be questioned by French investigators only in the presence of his lawyer.

Meanwhile, the leading investigating judge has lifted restrictions on a photographer, Christian Martinez, allowing him to work and leave France.

Dust Slows Air Traffic in U.S.

New York Times Service

WASHINGTON — Dust from a renovation project in a Long Island air-traffic control center forced dozens of controllers to abandon their work stations for almost 10 hours Wednesday, setting off cascading delays that disrupted air travel around the United States.

The Federal Aviation Administration, concerned both about employees' health and about the possibility that the dust particles might disable a controller at his console, rotated a skeleton crew of controllers through the radar control center in brief shifts. The center handles planes for New York's three major airports.

Disruptions were greatest at Newark International Airport, where officials said 150 flights were canceled and arrival delays reached five hours. Officials sent the controllers back to work at about 3:25 P.M. Wednesday, after tests indicated there was no health hazard from the construction work. But officials said the backlog of waiting planes took several more hours to clear up.

TRAVEL UPDATE

Egypt to Let Tourists Visit Tombs

GIZA, Egypt (Reuters) — Egypt will open for tourism next month four tombs that lay under a mound of sand near the Great Pyramids of Giza for 4,600 years until they were discovered in the 1930s, an official said Thursday.

Zaki Hawass, the director of the Giza Plateau, near Cairo, said the tombs belonged to officials who served Pharaoh Cheops, who built the biggest of the three main pyramids.

The tombs show scenes from the daily life of Egyptians at the time of the Fifth Dynasty, including what Mr. Hawass said was a unique wall painting of a man holding a hoopoe bird.

Strike Disrupts Paris-Roissy Trains

PARIS (AP) — A surprise strike Thursday disrupted train service in the northern suburbs of Paris, making it hard for passengers to get to Roissy-Charles de Gaulle Airport.

Service for suburban trains in the northern sector was severely interrupted, and buses were put in service to that passengers could get to their destinations. Talks were under way to resolve the conflict.

The workers who maintain the tracks, bridges and electrical systems for Amtrak could go on strike Wednesday, shutting down the railroad, which carries 60,000 passengers a day, and possibly the major commuter operations in New York, Boston, Philadelphia, Washington and California, which carry 531,000 commuters daily. Union and management are negotiating. *(NYT)*

Senator John McCain, Republican of Arizona, a longtime proponent of loosening flight restrictions at Washington's National Airport and providing more service to the West, is circulating a measure that would allow more small, low-cost airlines into the airport and would let them fly to more distant destinations. *(WP)*

Correction

An item in Thursday's editions misstated the net profit of Safra Republic Holdings SA. The Luxembourg-based bank holding company earned $65.3 million in the third quarter, up 35 percent from the like period in 1996. Net interest income was $73.8 million, up from $70.2 million a year earlier.

'Wing' Trouble on Mars Craft Could Be Serious

By Kathy Sawyer
Washington Post Service

WASHINGTON — The Mars Global Surveyor spacecraft has suffered a potentially serious problem with a solar "wing," prompting a suspension of routine operations around Mars for at least two weeks while handlers figure out what is wrong.

U.S. spacecraft managers became concerned in recent days when telemetry indicated that one of the two solar panels was flapping as it encountered thicker Martian atmosphere and might even have buckled at some point.

They hope to make a decision about how to proceed by Oct. 27.

Since its arrival in Mars orbit Sept. 12, on a two-year, $247 million mission to map the planet in unprecedented detail, the craft has been reshaping its orbital track from egg-shaped to circular.

To do this, it was using a fuel-saving technique known as aerobraking, which involves dipping repeatedly into denser layers of the atmosphere to increase drag.

Its two 11.6-foot (3.5-meter) solar panels, extended like wings, must be stable and structurally secure to create the drag surface that makes aerobraking possible.

The flapping motion apparently began during a pass on Oct. 6, when the density of the Martian atmosphere doubled suddenly, according to the NASA project manager, Glenn Cunningham of the Jet Propulsion Laboratory in Pasadena, California.

However, his team was prepared for atmospheric density to fluctuate with changing seasons and the spacecraft was designed to handle much greater drag than it experienced that day, he noted.

"The solar panel on the other side didn't flap at all."

Problems with the panel, designed to gather power from the sun to generate electricity, have had no affect on the craft's power supply.

The team "is concerned that there is some structural deformation we don't understand" that was aggravated by the increasing drag of aerobraking, Mr. Cunningham said.

The strategy is to avoid making the situation worse while engineers try to recreate the problem, using computer models and ground tests with duplicates of the flight hardware.

The Mars Global Surveyor is the first spacecraft in 21 years to orbit Mars successfully. The last attempt, by Mars Observer in 1993, failed just three days before it was to reach orbit.

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

Jetstream · Unassembly Cold · Unassembly Mild · Heavy Rain · Heavy Snow

North America
A storm developing in the Southeast will spread soaking rain from southern Georgia to the Carolinas Saturday and Sunday. This storm could cause heavy rain and high winds Monday from Virginia to southern New England. Cool and dry in the Plains but sunny and hot in the Southwest.

Europe
Milder weather will overspread most of Europe this weekend, including Hamburg, Munich and Rotterdam. A slow-moving storm from the Atlantic will spread rain into Paris and Madrid while cold weather lingers over central Scandinavia.

Asia
Comfortable with some sunshine in Tokyo Saturday, but it could shower by Monday. Mild in Beijing Saturday, but breezy and cooler Sunday and Monday. A shower is possible in Seoul Saturday; otherwise, partly sunny and pleasant. Warm and humid in Hong Kong with a shower possible each day.

Legends: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-ice, W-Weather.

All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	24/75	16/61 s	22/71	16/61 pc
Amsterdam	16/61	12/53 sh	18/64	12/53 pc
Ankara	19/66	4/39 r	17/62	1/34 r
Athens	17/62	10/50 pc	17/62	9/48 c
Barcelona	21/70	13/55 pc	21/70	14/57 pc
Belgrade	13/53	2/35 pc	15/59	6/43 pc
Berlin	9/48	8/46 c	18/64	11/52 c
Brussels	16/61	12/53 sh	19/66	12/53 pc
Budapest	9/48	1/34 pc	13/55	7/44 pc
Copenhagen	8/46	8/46 sh	14/57	11/52 sh
Costa Del Sol	26/79	18/64 s	27/80	17/62 pc
Dublin	15/59	14/57 r	17/62	13/55 c
Edinburgh	14/57	9/48 sh	18/61	8/46 pc
Florence	18/64	11/52 pc	20/68	12/53 pc
Frankfurt	9/48	7/44 c	18/64	10/50 c
Geneva	16/61	7/44 pc	17/62	8/46 pc
Helsinki	+1/31	-2/29 c	6/43	5/41 sn
Istanbul	15/59	7/44 pc	12/53	7/44 sh
Kiev	4/39	-2/29 sn	6/43	1/34 pc
Las Palmas	22/71	18/64 pc	23/73	19/66 s
Lisbon	21/70	14/57 pc	20/68	14/57 r
London	19/66	13/55 c	20/68	13/55 pc
Madrid	24/75	10/50 s	25/77	12/53 pc
Mallorca	23/73	13/55 s	24/75	14/57 s
Milan	18/64	9/48 pc	19/66	10/50 pc
Moscow	3/37	-3/27 c	3/37	+1/33 c
Munich	11/52	5/41 c	15/59	7/44 c
Nice	21/70	13/55 pc	20/68	14/57 pc
Oslo	7/44	7/44 sn	13/55	6/43 c
Paris	16/61	11/52 c	19/66	11/52 pc
Prague	9/48	5/41 c	18/61	8/46 c
Reykjavik	3/37	+1/31 sf	2/35	-2/29 c
Riga	4/39	1/34 c	7/44	7/44 sn
Rome	20/68	14/57 pc	22/71	14/57 pc
St. Petersburg	1/34	-3/27 sf	6/43	4/39 sh
Stockholm	4/39	3/37 c	11/52	7/44 r
Strasbourg	14/57	9/48 c	18/64	11/52 pc
Tallinn	1/34	0/32 sf	6/43	6/43 sn
Tbilisi	28/79	14/57 pc	23/73	14/57 sh
Venice	15/59	10/50 c	19/66	11/52 pc
Vienna	7/44	3/37 pc	14/57	7/44 c
Warsaw	4/39	-2/29 pc	9/48	7/44 sh
Zurich	13/55	8/46 c	16/61	9/48 pc

Middle East

Abu Dhabi	37/98	21/70 s	38/100	21/70 s
Beirut	29/84	21/70 c	29/77	18/64 c
Cairo	32/89	21/70 pc	29/79	15/59 c
Damascus	31/88	14/57 c	27/80	13/55 pc
Jerusalem	27/80	14/57 pc	22/71	12/53 sh
Luxor	39/100	19/66 s	39/97	17/62 pc
Riyadh	36/97	19/66 s	35/36	19/66 s

Africa

Algiers	28/82	15/59 s	30/86	16/61 s
Cape Town	29/84	18/64 s	27/80	16/61 pc
Casablanca	28/82	16/61 s	26/79	16/61 s
Harare	18/64	9/48 c	21/70	7/44 c
Lagos	31/88	23/73 pc	30/86	23/73 pc
Nairobi	28/82	12/53 pc	28/82	13/55 pc
Tunis	26/79	14/57 s	28/82	15/59 s

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Almaty	21/70	7/44 s	23/73	8/46 s
Bali	32/89	20/68 s	31/88	20/68 c
Bangkok	32/89	23/73 sh	31/88	22/71 c
Beijing	22/71	9/48 s	24/75	12/53 s
Bombay	32/89	21/70 s	32/89	21/70 s
Calcutta	29/82	18/64 s	27/80	19/64 s
Chiang Mai	29/84	20/68 c	29/84	20/68 c
Colombo	29/84	23/73 sh	29/84	22/71 pc
Hanoi	28/82	23/73 r	28/82	23/73 sh
Ho Chi Minh	33/93	23/73 sh	31/88	23/73 sh
Hong Kong	27/80	23/73 sh	27/80	22/71 sh
Islamabad	32/89	14/57 pc	32/89	16/61 pc
Jakarta	31/88	23/73 pc	29/84	23/71 pc
Karachi	33/91	19/66 s	32/89	19/66 s
K. Lumpur	31/88	22/71 r	31/88	22/71 pc
K. Kinabalu	29/84	23/73 r	29/84	22/71 sh
Manila	31/88	22/71 pc	30/86	22/71 sh
New Delhi	30/86	18/64 pc	31/88	17/62 pc
Phnom Penh	30/86	23/73 pc	29/84	23/73 sh
Phuket	33/93	23/73 sh	31/88	22/71 c
Rangoon	30/86	22/71 pc	30/86	22/71 pc
Seoul	23/73	5/41 t	20/68	8/46 s
Shanghai	25/77	16/61 s	25/77	16/61 s
Singapore	30/86	21/70 pc	30/86	21/70 pc
Taipei	28/79	19/66 r	29/84	19/66 pc
Tokyo	19/66	17/62 r	21/70	14/57 s
Vientiane	29/84	20/68 c	29/84	20/68 c

North America

Anchorage	-3/27	-12/11 pc	-3/27	-8/18 pc
Atlanta	19/61	10/50 r	18/64	8/46 r
Boston	13/55	5/41 s	14/57	9/48 s
Chicago	14/57	6/43 s	14/57	6/43 pc
Dallas	21/70	7/44 s	21/70	9/48 s
Denver	28/79	8/46 s	21/70	9/48 s
Detroit	13/55	4/39 s	14/57	6/43 pc
Honolulu	29/84	20/68 pc	29/84	22/71 pc
Houston	24/75	12/53 s	21/70	7/44 s
Los Angeles	24/83	17/62 s	31/88	19/61 s
Miami	29/84	21/70 t	31/88	23/73 pc
Minneapolis	17/62	8/46 s	18/61	3/37 pc
Montreal	9/46	1/34 s	14/57	7/44 s
Nassau	29/84	23/73 sh	32/89	24/75 pc
New York	14/57	9/48 pc	16/61	11/52 pc
Orlando	29/84	19/66 t	29/82	19/66 t
Phoenix	34/93	19/61 s	32/89	19/61 s
San Fran.	27/80	13/55 s	21/70	11/52 pc
Seattle	19/66	9/48 pc	15/59	7/44 pc
Toronto	10/50	0/32 s	14/57	7/44 pc
Vancouver	14/57	4/39 s	13/55	4/39 r
Washington	16/61	9/48 pc	18/61	11/52 pc

Latin America

Buenos Aires	16/61	8/43 s	18/61	7/44 s
Caracas	30/86	21/70 pc	29/84	21/70 pc
Lima	22/71	16/61 pc	22/71	17/62 s
Mexico City	15/59	7/44 sh	18/64	8/46 s
Rio de Janeiro	22/71	16/61 r	21/70	17/62 sh
Santiago	19/66	8/46 pc	16/61	4/39 sh

Oceania

Auckland	18/64	11/52 pc	18/64	13/55 sh
Sydney	22/71	10/50 s	17/62	8/46 s

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THE AMERICAS

Gum Arabic Lobby Rides to Aid of Sudan

By Thomas W. Lippmann
Washington Post Service

WASHINGTON — On Capitol Hill, it seemed like a no-brainer.

Opposed to terrorism? Disapprove of religious persecution? Then drop the hammer on Sudan.

That was the rationale behind two bills moving through Congress that would virtually shut down commerce between the United States and Sudan, which the State Department calls a sponsor of terrorism and a relentless oppressor of its minority Christian population in the south.

The Sudanese Muslim government, allied with Iran, has no friends on Capitol Hill and no lobbying clout.

But that was before the gum arabic lobby woke up.

Minute Maid Orange Soda, Ultra SlimFast diet drinks, Coricidin, M&Ms and scores of other everyday products, it seems, are made with gum arabic, a derivative of the acacia tree so plentiful in Sudan that the vast and poor African nation is the source of 70 percent to 90 percent of the world's supply, with neighboring Chad another source.

Without gum arabic, fruit particles in fruit drinks would sink to the bottom of the can, a lobbyist warned.

Many soft drinks, candies, printing inks, pharmaceuticals and cosmetics would just not be the same.

And so last month, 12 major trade associations representing gum arabic users wrote to the House International Relations Committee chairman, Benjamin Gilman, Republican of New York, to alert him to the dire consequences of a gum arabic cutoff.

A ban "would result immediately in a black market, raise the costs to American companies and consumers while generating greater opportunities for profiteering by local producers and others," they said.

The letter said smugglers would start dealing in gum arabic and dealers in third countries would merely repackage it for sale in the United States at higher costs to American consumers.

Among the associations sounding that alarm were the National Food Processors Association, Grocery Manufacturers of America, Nonprescription Drug Manufacturers Association, Newspaper Association of America, which represents 95 percent of all newspapers, including The Washington Post, and the National Soft Drink Association, which includes such giants as Coca-Cola Co. and PepsiCo Inc.

The lobbying effort began after a newspaper article that mentioned the impending trade ban was spotted by officials at Importer Service Corp. of Jersey City, New Jersey, a small company that imports gum arabic from Sudan for resale across the nation.

The company alerted clients, who spread the word.

"What we did when we found out about this was try to identify everybody that could be impacted by that legislation," said Drew Davis, who is leading the effort for soft-drink producers.

The impact cannot be measured in dollars alone, lobbyists said. Sudan produces about 26,000 tons of gum arabic a year, of which 4,000 to 5,000 tons are exported to the United States.

The value of that commerce amounted to about $9 million in 1996, according to the trade associations' letter to Mr. Gilman. "A little of this stuff goes a long way," Mr. Davis observed.

There is no artificial substitute on the market.

Those opposing the trade ban face the task of defeating it twice because it is included in different forms and for different reasons in unrelated pieces of legislation.

One version, included in anti-terrorism legislation sponsored by Representatives Bill McCollum, Republican of Florida, and Charles Schumer, Democrat of New York, is included in the House version of a landmark bill to reorganize the government's foreign policy agencies.

The measure is stalled in a House-Senate conference over the unrelated issue of abortion.

The Associated Press

AFTER THE SHOCK — *Residents of La Chimba, Chile, sitting on their beds in the street after their home was destroyed by an earthquake that killed at least eight people and left more than 100 injured.*

Court Orders Release of Tobacco Files

Washington Post Service

WASHINGTON — A federal district court in Topeka, Kansas, has ordered the release of about 2,500 of the most sensitive internal tobacco-industry documents held by Liggett Group Inc.

The rest of the tobacco industry has vehemently fought the release of the documents, which came from Liggett's files but were produced in joint activities with other tobacco companies and by industry-financed organizations such as the Tobacco Institute and the Council for Tobacco Research.

The ruling was hailed by the Kansas attorney general, Carla Stovall, who said it "opens the floodgates."

Tobacco industry lawyers attacked the decision and vowed to lodge a quick appeal.

"This is not really a tobacco issue," said Greg Little, associate general counsel for Philip Morris. "This is a ruling that would affect every lawsuit with more than one defendant."

The ruling calls for the documents to be delivered within 30 days. It allows the industry 30 days to appeal the decision.

BRIEFLY

U.S. Says Teamsters Still Attract the Mob

WASHINGTON — The Justice Department has warned that continued federal government supervision of the Teamsters union is needed to keep it out of the hands of organized crime.

John Keeney, the acting head of the Justice Department's criminal division, told a House subcommittee investigating financing in the 1996 Teamsters election that the mob still wanted to control the union.

Mr. Keeney said Wednesday that it was important for the government to supervise the union's coming rerun election for national officers. Failure to supervise the election, he said, "could serve as a green light to corruption and organized crime."

He gave no details of what he called the latest mob menace to the union.

Government supervision of the Teamsters elections was agreed to as part of a 1989 consent decree between the union and the Justice Department to settle a civil racketeering case filed by the government, which alleged that the Teamsters were controlled by the mob.

The government supervised both the first election in 1991 and a second in 1996.

The Teamsters paid the costs of the first election, but the government agreed to pay for the second, and has spent nearly $20 million. *(WP)*

Reformers on Radio

WASHINGTON — Common Cause and Campaign for America, lobbying to change the campaign finance system, are launching a $50,000 radio advertising effort aimed at encouraging Republican senators in four states to support the McCain-Feingold campaign finance legislation. The 60-second radio spots name senators and accuse them of standing in the way of changing the current system, which allows unlimited "soft money" donations to political parties from corporations, labor unions and individuals.

"Tell them to stop blocking reform," the ads say. "And ask them, whose side are you on?"

The ads cite both Colorado senators, Wayne Allard and Ben Nighthorse Campbell; both Indiana senators, Dan Coats and Richard Lugar; both Kansas senators, Sam Brownback and Pat Roberts, and Senator Chuck Hagel of Nebraska.

The radio campaign uses a technique, known as "issue advocacy," that Common Cause criticized in conjunction with the 1996 elections and that the McCain-Feingold legislation would limit.

Under the bill, groups could not name individual candidates within 60 days of an election unless they complied with federal election rules requiring disclosure and restricting contributions.

Common Cause's president, Ann McBride, said there was no contradiction between the group's criticism of issue advocacy ads by the Democratic and Republican National Committees and others and its use of the technique to round up support for McCain-Feingold. *(WP)*

Quote/Unquote

Representative John Conyers Jr., Democrat of Michigan, taunting Republicans on the House Judiciary Committee as they pressed Attorney General Janet Reno to name a special prosecutor to look into White House fund-raising: "Let's get another Ken Starr! That's just what the nation needs, folks. Thirty million dollars spent and the only thing he knows is Vince Foster has died." *(NYT)*

Away From Politics

• **The 44 million Americans getting Social Security checks** will see them grow by only 2.1 percent next year, the lowest cost-of-living raise in a decade. The adjustment means the average monthly check received by retired people will rise by $16, to $765. *(AP)*

• **A driver's education teacher resigned** in Durham, North Carolina, after he was accused of ordering a student driver to chase down a motorist who had cut them off, intercepting the driver and then punching the man in the face. The teacher, David Cline, had been suspended by the school over the incident. *(AP)*

• **A 25-year-old woman pleaded guilty to charges of selling marijuana** from the drive-through window of the fast-food restaurant in Pontiac, Michigan, where she worked. The police began investigating after students from schools near the restaurant told them of the convenient marijuana outlet. *(AP)*

Welfare Law Collides With Mississippi Delta Poverty

By Jason DeParle
New York Times Service

GREENVILLE, Mississippi — While President Bill Clinton has declared "the debate is over — we know now that welfare reform works," the hard-luck counties of the Mississippi Delta show the difficulties that can emerge when tough laws collide with a weak economy.

The welfare rolls have fallen sharply across this 200-mile (320-kilometer) stretch of cotton fields and catfish farms, as they have in most of the country. But with unemployment rates hovering in the Delta at 10 percent or more, many of those leaving the rolls are failing to find jobs. During one recent period, the families dropped from welfare for violating the new work rules outnumbered those placed in jobs by a margin of nearly two to one.

And the penalties in Mississippi are the nation's toughest. Those who miss appointments or decline work assignments surrender not only their entire cash grant, but all of their family's food stamps and the medical insurance of adults. Across the Delta, mothers dropped from the welfare rolls are now turning to relatives, boyfriends or other federal programs — most notably disability payments — or traveling long distances in search of work.

Maggie Miller lost her benefits and with her children moved in with her sister, raising the number of children in the two-bedroom house to 15.

Patricia Watson worked a single day at a distant catfish-processing plant but quit after returning home to discover that her babysitter could not find her 6-year-old daughter.

Curley Barron threw up her hands and returned her niece and nephew to foster care. Busy caring for her ailing mother, she refused to join a work program and therefore lost the $435 in cash and food stamps she was receiving for the children's monthly support.

Scenarios like these are what critics feared would happen when the landmark welfare reformer was passed last year, ending the guarantee of federal welfare aid to the poor and transferring money and authority for welfare to the states. While some states might make good use of their vast new autonomy, they said, others would prove unwilling or unable to construct safety nets of their own.

Mindful of this state's low rankings on most socioeconomic scales, they summarized their fears with a frequent refrain: "What about Mississippi?"

The same could be asked of other states, particularly in the South, that combine high poverty rates with low spending. But the poverty in the Delta has historically run the highest in the country, and the spending levels the lowest.

Mississippi's Republican governor, Kirk Fordice, is known for the vehemence of his anti-government views. And with black families making up more than 80 percent of caseloads, the welfare reductions inevitably remind critics of the state's difficult racial past.

For all its unique regional features, the Mississippi Delta — the poorest region in the poorest state — may offer broader lessons for the nation's great welfare experiment. Though many states with robust economies are boasting of early success in cutting welfare rolls, they could find themselves embroiled in struggles similar to the one in Mississippi should their job markets falter.

Mississippi officials blame the old system for letting joblessness and teenage parenthood become a norm among the poor in the Delta, and almost everyone agrees that the program needed to change.

Officials here say the tough new rules discourage those who do not really need the help from asking for it.

And not all areas in the state resemble those in the Delta. The Gulf Coast and Tupelo are booming, and the statewide unemployment rate has averaged just 5.6 percent so far this year, only slightly higher than the national rate of 5.3 percent.

Mississippi also has an advantage over its neighbors: It has run experimental programs for several years, accumulating what officials call a wealth of important lessons.

Even in the Delta some women say the new work rules gave them the push they needed to find employment.

"I thought it was going to be hard, but it wasn't," said Felicia Fields, 22, the new receptionist at Cunningham's Insurance in Greenville, who was hired a few weeks after taking a job-search class.

Still, the difficulty of putting principle into practice is particularly evident in a region like this, where jobs and child care are scarce, education levels are low, distances are great and public transportation does not exist.

Though the new watchword is self-sufficiency, the region's plantation economy was originally built on the opposite premise. Hugely profitable for a handful of white planters, it relied on a subjugated army of black sharecroppers kept dependent by design.

A poverty belt this large would prove vexing under any circumstances. And Mississippi's welfare program also receives the nation's smallest annual federal subsidy — about $2,100 per family compared with a national average of $4,100. It is less than a third of the $7,200 per family given to the nation's most heavily subsidized state, Wisconsin.

The reason for such a huge disparity is that under the new federal program, called Temporary Assistance to Needy Families, federal subsidies are tied to past state spending levels, and Mississippi's have been the nation's lowest. The state offers a mother with two children just $120 a month.

A U.S. Murder Slows Aids to Israel

The Associated Press

WASHINGTON — Congress is holding back some of the $3 billion in foreign aid destined for Israel, in part because of that country's refusal to extradite a Maryland teenager accused of murder in the United States.

A spokesman for Representative Sonny Callahan, Republican of Alabama and chairman of the House appropriations subcommittee that oversees foreign aid, said Wednesday the panel was withholding consideration of $75 million in economic assistance "until such time as we can resolve how Middle East funding is going to be divided."

The spokesman, Jo Bonner, acknowledged that Mr. Callahan and other members of Congress were concerned about Israel's refusal to extradite Samuel Sheinbein, a teenager charged in the killing and dismemberment of another Maryland teenager.

Israel is holding Mr. Sheinbein while trying to determine the validity of his claim to Israeli citizenship.

Mr. Sheinbein, whose father claims Israeli citizenship, had never been to Israel until fleeing there after the murder he is accused of committing. Israeli law requires that citizens be tried in Israel, even for crimes committed abroad.

A Sharp Rise in Genital Herpes

The Associated Press

NEW YORK — Despite the emphasis on safe sex to prevent AIDS, genital herpes has increased fivefold since the late 1970s among white teenagers and doubled among whites in their 20s.

In all, about one in five Americans over age 12 has the sexually transmitted infection, and most of them do not know it, the Centers for Disease and Control Prevention reported. But other sexually transmitted diseases, such as gonorrhea, declined, it said.

The center found that condoms appear to be less effective in blocking herpes than other diseases as the virus can be transmitted from parts of the body not covered by a condom.

One reason for concern is that herpes sores may make a person more vulnerable to being infected by the AIDS virus, the researchers said in the study, published Thursday in the New England Journal of Medicine.

Experts said it was time to take action on herpes. They said new steps could include screening for it in patients at clinics for sexually transmitted diseases.

The data were gathered between 1988 and 1994 and compared with a similar study done from 1976 to 1980. The results suggest that 45 million Americans have genital herpes, including 18 percent of whites and 46 percent of blacks. People can transmit the virus to a sex partner even if they do not have symptoms.

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ASIA/PACIFIC

Tamil Bombing Tied To U.S. Terror Listing

Blast Broke 15-Month Lull in Attacks

By John F. Burns
New York Times Service

COLOMBO — The truck bomb that exploded in the central business district here, killing 18 people and wounding more than 100 others, appeared to end the 15-month lull in a bombing campaign by separatist Tamil Tiger guerrillas, Sri Lankan officials and Western diplomats say.

The Liberation Tigers of Tamil Eelam, who were among the 30 groups identified as terrorist organizations by the U.S. State Department last week, issued a statement in London denying involvement in the attack. In denying responsibility, Anton Raja, the group's spokesman, said, "We are not foolish enough to think that such an attack would benefit our struggle."

But Sri Lankan government officials noted that the rebels routinely denied involvement in similar past attacks and that the latest incident bore "all the hallmarks" of a Tamil Tiger operation.

After the attack Wednesday, officials here said they doubted it was a coincidence that the bombing resumed a week after the U.S. terrorist list was published.

"We were afraid that this would happen," a senior official said. "We hoped the Americans would include the Tigers on the list, and we urged them to do it, but we recognized all along that this could remove the only reason for suspending the bombings."

The attack was the first to cause extensive injuries among foreigners, mainly tourists and business travelers staying at two popular five-star hotels near the site of the explosion. The government said that the foreigners taken to hospitals, mainly with injuries from flying glass, included seven Americans.

The government said that the more than 100 wounded included people from Britain, France, Japan, Singapore, Jordan, Australia, Canada, Cuba, Egypt, India, the Netherlands, South Korea, Lebanon, Malaysia, Pakistan, Saudi Arabia and Sweden.

Western diplomats said that the Tamil Tiger leader, Velupillai Prabhakaran, is dependent on ethnic Tamils in Western countries to finance the rebels' effort to set up a separate Tamil state, and he wished to avoid the American terrorist list because it would hurt fund-raising overseas.

Another reason suggested by diplomats for the Tigers' attacking in an area where foreigners stay was the growing military help being offered to the Sri Lankan forces by Western countries, including Britain and the United States.

Mr. Prabhakaran, who makes his headquarters in the northern jungles of the island nation, and other senior Tiger officials, have repeatedly warned that Western nations providing military support to Sri Lanka were exposing their citizens to possible attack.

■ President Vows to Press On

President Chandrika Bandaranaike Kumaratunga vowed Thursday that the violence in the capital would not affect her quest to end the 14 years of ethnic conflict in Sri Lanka, Reuters reported from Colombo.

The police, meanwhile, said they had arrested three people they suspect were involved in the blast Wednesday. The three were arrested at Colombo's main railway station as they boarded a train to the northern, government-held town of Vavuniya.

The police said that they were being interrogated and that a special force was searching for two other suspects. They also said that about 100 people were detained Wednesday for questioning but that most of them had been released.

Army troops set up checkpoints and cordoned off the immediate site of the explosion.

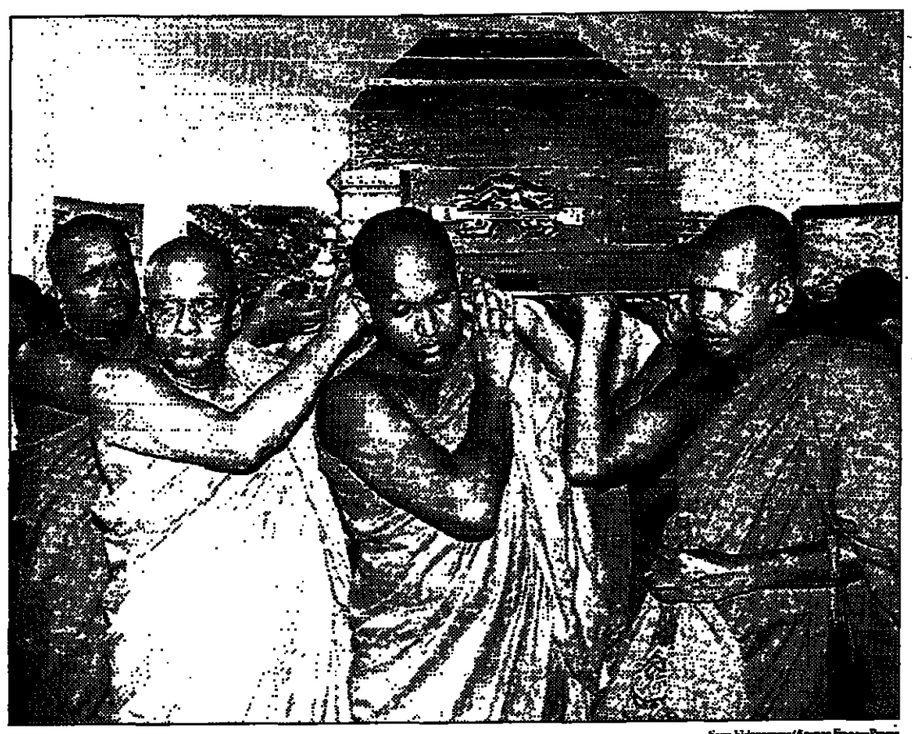
The blast, which crippled a portion of the capital's financial district, severely damaged three hotels and several office buildings, including the World Trade Center that houses the stock exchange.

The dead were all Sri Lankans, and included five rebels and a soldier.

Bulldozers moved wrecked vehicles from the parking lot of the Galadari Hotel on Thursday, where the bomb was detonated, and workers were cleaning up around the damaged buildings, while others made arrangements to shift offices destroyed by the explosion.

The Defense Ministry, meanwhile, said government troops killed 13 rebels Wednesday as fighting escalated near the town of Kanakanayakulam, on a crucial northern highway that the army is trying to recapture.

The truck bomb was set off near the site of an explosion in January 1996 that killed 100 people and that was also blamed on the Liberation Tigers.



Sena Vidanagama/Agence France-Presse

Buddhist monks carrying the coffin of a fellow monk killed in the bombing attributed to Tamil rebels.

INDIA: *Global Environmental Concerns Clash With Soaring Energy Needs*

Continued from Page 1

energy is posing a threat to the environment.

India emits a higher level of greenhouse gases than any other developing nation except China. But both huge nations are way behind the world's biggest polluter — the United States, the source of 22 percent of emissions worldwide. China emits 11 percent; India 3 percent.

But China and India rank first and second in the world, respectively, in the rates at which their emissions are increasing. According to one estimate, developing countries' emissions may surpass those of the developed world in less than three decades.

In December, representatives of more than 150 nations are to meet in Kyoto, Japan, to discuss proposed targets for reducing emissions in developed countries. Pressed by Congress, the Clinton administration has lobbied for developing nations also to cut their emissions.

At previous environmental conferences this decade, China and India have resisted making any binding commitments to reduce emissions.

"Any cap on their emissions is a cap on their development, which they are not willing to accept," said Anil Agarwal, India's leading environmentalist.

In general, Indian conservationists tend to favor development that protects the environment without dampening economic advancement.

Kamal Nath, the former environment minister who led India's delegation to the 1992 Earth Summit in Rio de Janeiro, argues that a sense of global equity requires that development take priority for India.

"You got it all, and you continue to do it," Mr. Nath said, referring to rich countries, which emit almost two-thirds of all greenhouse gases. "I took the point of view that developing countries cannot subsidize the prosperity of developed countries."

India generates about 70 percent of its electricity by burning coal. While other, cleaner sources of energy could meet its needs and pollute less, they would cost more or be difficult to develop.

Hydroelectric dams are India's second-largest source of power, but proposals to build new ones have stalled in a country where rivers are worshipped and ownership of farmland, even a tiny plot, is equated with economic security. India's nuclear plants have a poor safety record and remain a nominal source of power at best.

But rather than pursue costly alternatives, India could continue to rely on coal power while reducing emissions through improving technology, some analysts say. Using new technology, the United States helped a coal-fired plant that supplies half of New Delhi's electricity to cut carbon dioxide emissions by 18,000 tons last year. The plant's efficiency also rose slightly, by one-half of a percentage point.

BRIEFLY

Americans Meet With Burmese

RANGOON — A private delegation of Americans met Thursday with senior officials of the Burmese military government in what analysts said was a bid to persuade them to open a dialogue with the opposition leader Daw Aung San Suu Kyi.

The government said that the four-member delegation, led by Michael Armacost, a former U.S. ambassador to Japan and the Philippines, met for two hours with Khin Nyint, secretary-general of the State Law and Order Restoration Council.

No official comment on the talks was made, but political analysts here said the delegation was seeking to persuade the junta and Daw Aung San Suu Kyi to open talks.

The delegation met Daw Aung San Suu Kyi on Wednesday, according to members of her political party, the National League for Democracy. Kent Wiedemann, charge d'affairs of the U.S. Embassy in Rangoon, also attended the meeting, they said. *(Reuters)*

Fuel Oil Fouls Singapore Strait

SINGAPORE — An empty Thai supertanker and a ship half its size collided Thursday in the Singapore Strait, sending 25,000 tons of fuel oil gushing into the shipping lanes of one of the world's most congested routes.

The authorities said the Cyprus-registered tanker Evoikos spilled the oil after colliding with the Thai tanker Orapin Global.

Some of the thick oil was said to be washing up on the beaches of three offshore islands, the Singaporean authorities said, but clean-up efforts had kept it from reaching the main island of Singapore. *(Reuters)*

Suharto Edges Toward 7th Term

JAKARTA — President Suharto of Indonesia moved another step Thursday toward certain re-election when the governing Golkar Party said it would nominate the retired five-star general for a seventh consecutive term.

The official Antara news agency quoted party officials as saying that choosing Mr. Suharto, who has ruled the nation for 32 years, was the "people's wish."

Mr. Suharto had no comment on the decision, but he was scheduled to address the party on Sunday, when he might announce his acceptance of the nomination. *(AP)*

China and Selective Abortion

BEIJING — Some villagers still kill baby girls in China, where families see a boy as far more desirable, researchers said Thursday at the 23d General Population Conference.

Although female infanticide was increasingly rare, they said, the selective abortion of female fetuses made possible by modern technology was becoming far more widespread. "Female infanticide is still practiced, but it's not that common," said Zhu Chuzhu, a professor at the Center for Women Studies at Xi'an Jiaotong University. "People do not think the act has much to do with the law. Others do not care, because usually they regard this as a family matter, a private issue," she said.

"People know killing baby girls is somehow wrong, but they don't see it as murder," said a family planning official from an impoverished rural area, who identified herself only by her surname, Luo. *(Reuters)*

OTE

HELLENIC TELECOMMUNICATION ORGANIZATION S.A.

Special assembly of the minority shareholders of the Hellenic Telecommunications Organization S.A. (Registration number 347/06/B/86/10).

Pursuant to the Law and the Company's Articles of Association and following decision of the Board of Directors, taken on 16/10/1997, the Shareholders of the Societe Anonyme, under the denomination "Hellenic Telecommunications Organization S.A." are hereby invited to participate in the **2nd Special Assembly**, to be held in Athens, on Wednesday, 19/11/1997, at 12.00 hours in the Holiday Inn Hotel (50 Michalakopoulou str.) to discuss and debate upon the following:

1. Election of one additional minority Shareholders representative and deputy representative to the Board of Directors of OTE, pursuant to Article 11 of Law 2257/94, as modified by Article 2 of Law 2374/96.

In order to participate, in person or by proxy, in the said Special Assembly Shareholders must, in conformance with the Law and the Company's Articles of Association, deposit their share certificates with any bank in Greece or abroad; the Consignations and Loans Fund; or OTE's Treasury (99, Kifissias Ave. Maroussi), at least five (5) calendar days before the appointed date for the Special Assembly. By the same deadline, Shareholders must also deposit the Share Depository Receipts as well as the proxy forms with OTE's Share Registration Office, at 15 Stadiou Street, Athens.

Finally, in view of facilitating the process, Shareholders are requested to propose, if so they wish, a candidate for the above-mentioned election. Each Shareholder may propose one (1) candidate.

By authorisation of the Board of Directors

D. Papoulias
Chairman

Athens 16.10.1997

INTERNATIONAL

BRIEFLY

2d Group Calls Algeria Truce

PARIS — A militant Muslim group in Algeria has become the second such group to declare a temporary cease-fire, Algerian newspapers reported Thursday. The newspaper Liberte said the Armed Jihad Islamic Front "has just announced in a communique a halt to its terrorist actions." The group is also known as the Algerian Jihad Islamic Front.

The Front, which targeted intellectuals it believed shaped Algerian society and thinking, reportedly also made several demands, notably for the release of leaders of the Islamic Salvation Front, a party that was dissolved by the government. It gave no time limit for the cease-fire, suggesting it would wait for a response to its demands.

In September, the main armed wing opposing the government, the Islamic Salvation Army, announced a cease-fire beginning Oct. 1. It said the move was to expose rival guerrillas of the Armed Islamic Group, which it blamed for massacres of civilians. *(Reuters)*

Panama to Let Journalist Stay

PANAMA CITY — The Panamanian government has decided to allow a Peruvian journalist it originally wanted to deport to stay in the country. Labor Minister Mitchell Doens extended the work permit of Gustavo Gorriti, a prize-winning investigative journalist who is an associate editor of La Prensa, a leading Panamanian daily.

"We have granted a work permit for one year to Gustavo Gorriti," Mr. Doens said. Mr. Gorriti, 49, was served deportation papers last month after his one-year work permit expired. U.S. officials said his case was quietly raised with the authorities by Hillary Rodham Clinton during her visit to Panama last week.

Human rights groups and politicians had assailed the government of wanting to deport Mr. Gorriti. *(Reuters)*

First Iraqi Census Since 1987

BAGHDAD — Iraqis stayed home Thursday as the country conducted its first census in 10 years.

About 150,000 officials fanned out across the country to conduct a national census that may shed some light on the toll taken by the Iran-Iraq War, which ended in 1988, and the Gulf War, which has brought seven years of crippling UN economic sanctions. At the last census, in 1987, Iraq had a population of 16,287,316. *(Reuters)*

For the Record

The United Nations has approved $2.5 million in emergency food aid to 12,200 Nicaraguan families devastated by a severe drought, UN officials said. *(Reuters)*

U.S. Push for Vote Hits Serb Defiance

By Raymond Bonner
New York Times Service

VIENNA — Washington's desire for an election in the Serb-controlled region of Bosnia to shore up relative moderates there is facing continuing resistance from Moscow and Belgrade, diplomats here said.

The election has been called by the Bosnian Serb president, Biljana Plavsic, who is waging a bitter and sometimes violent struggle for power against the former president, Radovan Karadzic, the Serbian hard-liner who has been indicted for war crimes.

With strong backing from Washington and London, Mrs. Plavsic wants the election limited to the Parliament, believing that she could win enough seats to give her control over the government, which she does not now have. Her opponents want a presidential election as well, believing that Momcilo Krajisnik, a Karadzic loyalist, and the Serbian member of Bosnia's tripartite presidency, could best her.

This latter outcome is just what the Clinton administration fears, though it is couching its opposition to a presidential election largely on constitutional grounds, U.S. officials said.

Russia has indicated that it might go along with a legislative election if there were a commitment to a presidential election at a definite date, even if that date was next spring, officials involved in the negotiations said.

Washington is not enamored of this idea, but has not rejected it out of hand.

As with much of its Balkan policy these days, Washington is playing a loud, high-visibility role. And other than Britain, there is not a lot of enthusiasm for the idea of elections of any kind, European diplomats here said Thursday.

France and Germany have been quietly skeptical that elections will effectively change the political scene in Bosnia, though Russia has taken the lead in expressing reservations about elections, a senior European diplomat said.

Unless a decision is made within the next day or two, there will not be any elections, officials with the Organization for Security and Cooperation in Europe said.

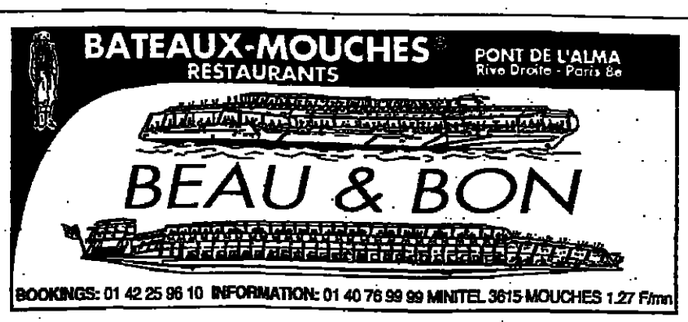
The issue will be taken up again Friday in Rome by the so-called Contact Group on Bosnia.

"It's up to Pale," a senior European diplomat at the organization said Thursday evening about whether or not the elections would go forward. Mr. Karadzic, Mr. Krajisnik and their hard-line backers have their headquarters in Pale; Mrs. Plavsic, a strong, but somewhat less strident nationalist, operates out of Banja Luka.

Mr. Krajisnik has said that he would not cooperate with the assembly election and could not guarantee the safety of election monitors. If he sticks to that position, the European security organization could not justify the expense of holding the election, organization officials said.

Whether Mr. Krajisnik can be moved depends largely on Moscow and Belgrade, U.S. and European diplomats said. After weeks of balking at any elections, Moscow late last month agreed to a parliamentary election, but on the condition that there be a presidential vote as well.

Moscow's position came as a surprise to officials of the Clinton administration, which thought that after many weeks of hard diplomacy, it had persuaded Moscow to accept assembly elections without conditions.



هكذا من الأصل

Prodi Is Back, But Industrial Tensions Rise

Reuters

ROME — Prime Minister Romano Prodi, ending a political war only to risk a potential battle on the industrial front, won a confidence vote in Parliament on Thursday to restore his center-left government to power.

Mr. Prodi won the vote in the Chamber of Deputies, the lower house, by a vote of 319 to 285, with 2 abstentions, formally ending a political crisis that could have jeopardized Italy's hopes of becoming a founding member of Europe's planned single currency.

A second vote, in the Senate, was due later Thursday, but the result was a foregone conclusion since Mr. Prodi's 17-month-old government enjoys a comfortable majority there.

The vote was secured a week after Mr. Prodi resigned when the Refounded Communists refused to back his deficit-cutting budget for 1998. But the crisis ended Tuesday when the Communist legislators, on whose votes Mr. Prodi depends to pass legislation, agreed to a revised budget package.

The biggest government concession in the deal was a pledge to introduce a draft law in January to cut the workweek to 35 hours from 40 by 2001, a proposal that has drawn criticism from employers and unions. In a speech to the chamber before the vote, Mr. Prodi appealed to unions and employers to keep an open mind and begin talks. He said the government wanted to cooperate with both.

"We have absolutely no desire to reduce their role," he said. "With them, we want to reform the welfare state and we want to work out when and how to go about reducing the workweek. Negotiations must start again immediately."

Unions and the employers federation, Confindustria, say that cutting the workweek would wreck efforts to reduce the jobless rate, about 12 percent nationwide and 22 percent in the impoverished south. Confindustria also has estimated that the reduction would increase labor costs as much as 11 percent.

On Thursday, the federation said it would decide whether to freeze the renewal of current and future contracts only after talks with unions and the government.

Unions, normally expected to favor shorter working hours, say the issue is not a top priority. "The first is job security, the second is salaries," Pietro Larizza, secretary-general of the Uil union, told the newspaper La Stampa.

"Cutting the working week is the cherry on the cake," he added. "What I see is that we're at risk of losing the cake to secure the cherry."

Agence France-Presse

Students marching in Rome on Thursday to back their demands for reforms in the Italian education system.

EU Approves More Talks To Settle Sanctions Fight

Compiled by Our Staff From Dispatches

BRUSSELS — The European Union approved on Thursday further negotiations with the United States to settle their dispute over trade with Cuba, Libya and Iran.

After a meeting at EU headquarters, envoys from the 15 member nations said they were "disappointed" that talks Wednesday had failed to resolve differences over U.S. laws that punish foreign companies that trade with the three nations.

But European diplomats said the EU nations had agreed that the negotiators should be given more time to find a solution.

At issue are two U.S. laws that Europe rejects as an illegal effort to apply its rules on a global scope: the Helms-Burton Act against Cuba, which calls for sanctions against any foreign company that takes over property expropriated by the Communist government, and the Iran-Libya sanctions act, which seeks to penalize companies that trade with those two nations.

The EU had threatened to lodge a formal complaint with the World Trade Organization unless an agreement was reached by midnight Wednesday.

But EU negotiators, citing progress, said the discussions should resume next week in Paris. Union rules dictated that the decision to extend the talks needed backing from the member nations. So in a statement agreed to by the EU ministers here — which still had to be approved by each capital — the Union expressed frustration that no deal had been reached by the deadline.

They statement stopped short, however, of suspending the talks, as some members had called for.

The statement said the EU "can only express its disappointment," and went on to say: "In these conditions, a period of reflection is necessary while we await a more flexible approach from the United States." *(AP, Reuters, AFP)*

■ Nods to Romania and Bulgaria

The EU commissioner in charge of enlargement and relations with Eastern Europe said he would stress the importance of membership for Bulgaria and Romania during his trip to the two countries, which began Thursday, Reuters reported.

"The commission's work will not be done until both Romania and Bulgaria are full members of the European Union," Hans van den Broek said.

The EU executive body left the two countries off a list of Eastern states that it said in July should be invited to join the EU in a first enlargement wave, arguing they were not economically ready.

BRIEFLY

Yeltsin Refuses to Fire Liberals To Get a Deal With Communists

MOSCOW — President Boris Yeltsin and Prime Minister Viktor Chernomyrdin firmly ruled out on Thursday the sacrifice of any liberal cabinet members to appease their Communist opponents in a battle in Parliament over economic reforms.

"The president does not see any need to discuss personnel changes in the government," Mr. Yeltsin's press secretary, Sergei Yastrzhembsky, told reporters. He also criticized "totally unrealistic demands" being made by some in Parliament.

Earlier, a senior Communist legislator said the dismissal of First Deputy Prime Minister Anatoli Chubais, architect of free market reforms, could well be one of the opposition's demands in return for dropping a no-confidence vote in the government. *(Reuters)*

Kohl Aims to Hold On Until 2002

BONN — Helmut Kohl announced his intention Thursday to become the longest-serving chancellor in German history by staying in office until the year 2002.

Mr. Kohl, who had already said he planed to run for a record fifth term in the next general election, in September 1998, used a television interview to douse speculation that he planned to stand down in midterm.

Mr. Kohl, 67, has already become Germany's longest serving chancellor this century by leading his center-right coalition since 1982. Staying until 2002 would take him past the 19 years that Otto von Bismarck served in the last century. *(Reuters)*

Nurse Facing a Lighter Sentence

LONDON — Deborah Parry, a British nurse on trial in the killing of an Australian colleague in Saudi Arabia, faces a moderate jail sentence now that the victim's brother has waived his right to seek the death penalty, the Saudi ambassador to Britain said Thursday.

The envoy, Ghazi Algosaibi, also said that Frank Gilford's decision to spare Miss Parry, accused of murdering his sister, Yvonne, last December, would allow the court to review the judgment already passed on her colleague, Lucille McLauchlan.

Mr. Gilford said in Adelaide on Wednesday that he had waived his right under Saudi law to demand the beheading of Miss Parry in exchange for payment of $1.24 million donated by British companies. *(Reuters)*

Oslo Coalition Vows Moderation

OSLO — Norway's next prime minister, Kjell Magne Bondevik, presented a three-party coalition government Thursday that vows a new political course without dramatic policy changes.

Mr. Bondevik, a Christian Democrat, succeeds Thorbjoern Jagland of the Labor Party on Friday.

Mr. Jagland resigned because of a disappointing result in the September national election, ending seven years of Labor minority rule.

The centrist coalition of the Christian Democrats, the Center Party and the Liberals has just 42 seats in the 165-seat Parliament. *(AP)*

Swiss Account Average: $138

ZURICH — Swiss investigators confirmed Thursday that the latest batch of dormant bank accounts from the Nazi era contained only small amounts — on average 200 Swiss francs ($138).

The smallest account contains a mere 1 centime, now worth less than a U.S. penny. Nearly 80,000 unclaimed accounts — most of them in the names of Swiss citizens — have been found in the latest search by Swiss banks. *(AP)*

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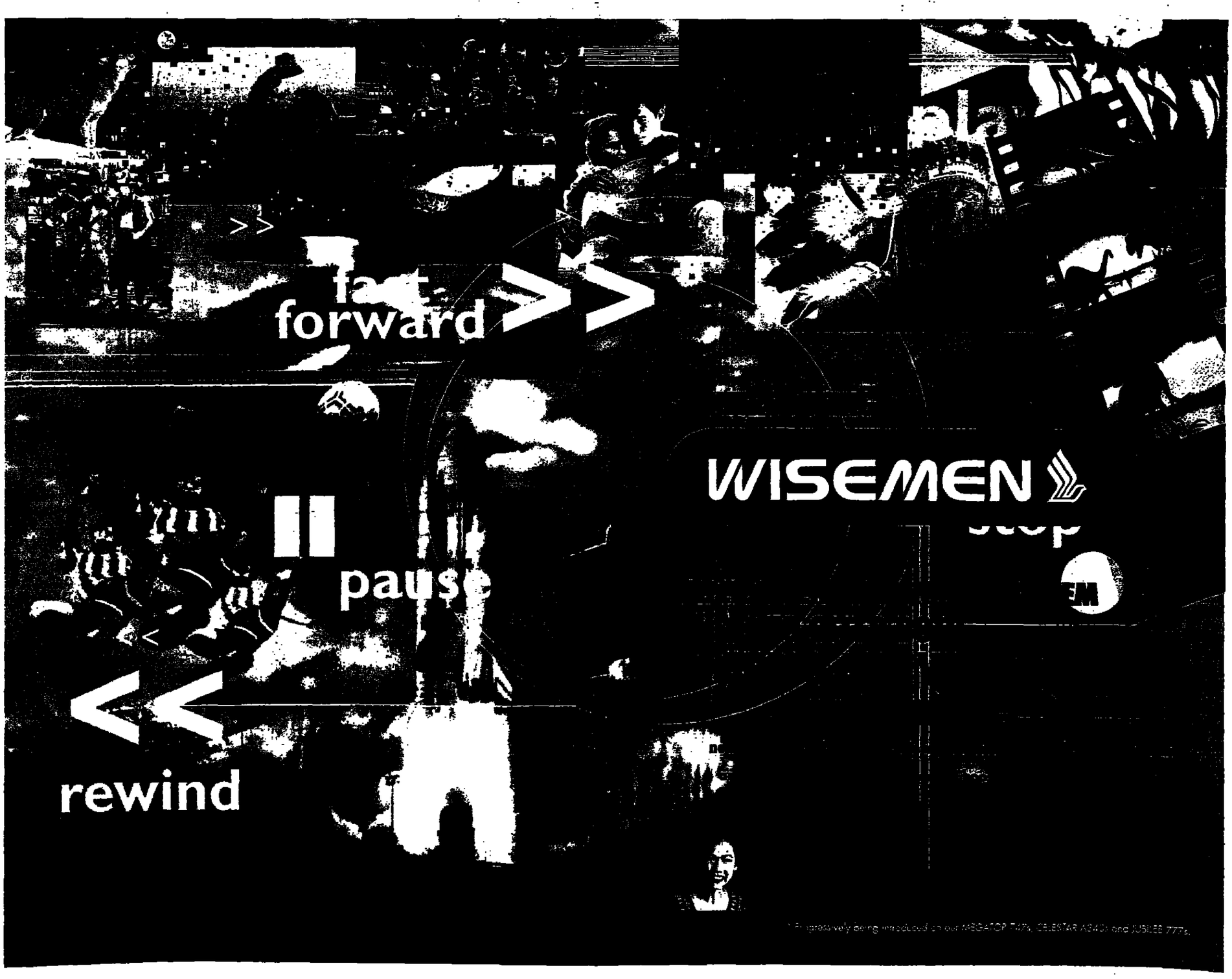

هكذا من الأصل

Turkish F-16s Harassed Its Military Jet, Greece Says

Compiled by Our Staff From Dispatches

ATHENS — Greece said Thursday that Turkish warplanes buzzed a military transport plane carrying Defense Minister Akis Tsohatzopoulos over the Aegean Sea in the second such incident this week.

Mr. Tsohatzopoulos, who was returning home after joint military exercises between Greek and Greek Cypriot forces on Cyprus, accused Turkey of acting like an "international troublemaker." He said Turkey was using "Cold War methods."

But other government officials appeared keen to play down the incident. A Greek government spokesman, Dimitris Reppas, said it was important to remain calm and not exacerbate the situation.

"I hope Turkey overcomes its Cold War hang-ups," he said. "Such provocative behavior entails dangers to human life. We must all be more levelheaded."

Athens said the minister's C-130 Hercules plane, which also carried his wife, senior Greek military officers and reporters, was harassed by four Turkish F-16s in Greek airspace over the southern Aegean island of Carpathos.

"The Turkish fighters came very close to the C-130," a Greek Defense Ministry official said. "As close as 100 meters."

He said Greek fighters intercepted the Turks, who eventually withdrew.

In Ankara, an official at Turkey's military headquarters said he had no information about the incident.

But the Turkish press has said Turkish F-16 jets have begun flying over Cyprus armed with live ammunition for the first time in 10 months because of the exercises.

Greece and Turkey, NATO allies, have been playing cat-and-mouse wargames in Aegean airspace and over Cyprus for the past five days, with their fighter planes involved in dozens of sorties and mock dogfights.

The two countries are at odds over territorial differences in the Aegean Sea and over the island of Cyprus, divided since 1974, when Turkish forces occupied its northern third.

Greece said Monday that Mr. Tsohatzopoulos's plane had been buzzed in a region monitored by commercial air traffic controllers and in which flight plans are required. Turkey contends that military jets from allied countries do not always have to file such plans.

"If Turkey continues such behavior, it is in danger of slipping into practices reminiscent of the Cold War period," Mr. Tsohatzopoulos said after landing on the Greek island of Crete. "It exposes itself irrevocably as an international troublemaker."

(Reuters, AP)

■ Turkey to Ignore Flight Ban

Turkey said Thursday that it would no longer abide by the U.S.-proposed ban on military flights over Cyprus because of the Greek military exercises, Reuters reported from Ankara.

"The Greek side has ruined the moratorium, said Omer Akbel, a Foreign Ministry spokesman. "Naturally, Turkey does not see itself as tied to this moratorium."

Mr. Akbel was referring to a year-old U.S. effort to have the countries halt armed flights over Cyprus.

Jan Bauer/The Associated Press

AUTUMN CLEANING — Villagers in Ernst-Thaelmann-Siedlung, near the East German city of Frankfurt an der Oder, clearing rubble Thursday from the summer flood disaster before winter comes.

The Alhambra in Granada

SPAIN HEIGHTS

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ESPAÑA

Stress Runs High in Assisi

Unrelenting Aftershocks Unnerve Quake Victims

The Associated Press

ASSISI, Italy — Sharp, unrelenting aftershocks nearly three weeks after back-to-back earthquakes are gnawing at people's nerves in the lush hills of central Italy.

Newspapers call the phenomenon the "silent monster," and compare it with recurring malaria. Another strong aftershock — with a magnitude of 4.1 on the open-ended Richter scale — jolted the region Thursday.

Authorities have yet to emerge from a crisis mode, and most thoughts of rebuilding are far in the future.

"We're leaving to find some calm," said Fiorella Tardioli, 37, whose husband's family has lived in Assisi for 200 years. Their 18th-century palazzo was severely damaged: Cracks fan out on walls, and a tiny crevasse has formed in their kitchen floor.

"The house won't fall down, but we can't live with the anxiety," she said.

The pair of earthquakes on Sept. 26, centered in an area just east of Assisi, hit with a magnitude of 5.5 and 5.8 on the Richter scale. Ten people were killed, and the area's cultural riches were devastated — from anonymous medieval towers to the Basilica of St. Francis in Assisi, one of Italy's major Christian shrines.

Tens of thousands of people fled their homes — many of which were destroyed — and moved into in tents and campers.

But the shock didn't end there.

Slight tremors continued for days. Then another destructive shock hit Oct. 7, followed by one Sunday and another Tuesday. All were above a magnitude of 5, said Massimo Cocco, a seismologist at the National Geophysical Institute in Rome. All of them aggravated damage to buildings and monuments and sent more people in search of shelter.

The earthquake Tuesday was felt in much of central and southern Italy, but worst of all in Sellano, about 30 kilometers (20 miles) southeast of Assisi.

The township's medieval center was severely destroyed. The city hall tower collapsed. Only half of the church tower remains. One two-story building lost most of its upper front wall. Virtually every building had major cracks.

"One day, you have everything, you are the master," said Antonio Antonini, 48, a woodworker who lost his house and business. "Then you are nothing, and you have nothing."

As he stood with a dozen dejected residents near the rubble of a town that once was home to 300 people, he planted his feet wide apart. "Do you feel it? The earth is vibrating."

The earthquake Thursday also was centered near Sellano and woke people in Rome, 180 kilometers away. There were no immediate reports there of damage.

Italian seismologists say the pattern is typical for the north-central area of the Apennines Mountains: A moderate earthquake is followed by weeks, if not months, of aftershocks, some relatively strong.

California earthquakes typically follow the same pattern. Several aftershocks followed the January 1994 earthquake in Northridge in Southern California, including a tembler with a magnitude of 5.6 on the same day and two more with magnitudes of 5.0 within two weeks. Although most of them have been too weak to notice, the Northridge aftershocks continue to this day.

The recent earthquake activity in Italy is concentrated in a band east of Assisi, about 30 kilometers long and roughly running north from Nocera Umbra southeast toward Colfiorito.

"It's a region with a large quantity of faults, so it's easier for energy to be released in a large number of small aftershocks," said Francesco Ponziani, a seismologist at the earthquake observatory in the regional capital, Perugia. Instruments have recorded more than 3,000 aftershocks since Sept. 26.

When one fault releases energy, it passes on the stress to a nearby fault, bringing on another tremor, Mr. Cocco said. That also accounts for the changing epicenters.

The relentless aftershocks can break even the toughest of those in this mountainous, cold region that breeds a patient, hardy character.

Maurizio Orbi, a 35-year-old Assisi policeman, said he took the tremors in stride until Sunday.

"I stayed cool, but for the first time I felt my legs trembling" with fear, he said. "You want it to finish so you can start again and get on with your life."

After each shock, hospitals report great numbers of people coming to their emergency rooms with panic attacks.

"If I'm sitting or lying down, my own pulse scares me," said Alan Feltus, an American painter who has lived in the hills near Assisi for 10 years. "I wonder if it's another earthquake."

Dark circles under Mrs. Tardioli's eyes and lingering nausea attest to her jumpy nerves.

"Above all, we don't sleep. If I hear a noise, I jump immediately," she said.

"The stress is continuous these days."

Tajik Gunmen Kill 14 Guards Of the President

Compiled by Our Staff From Dispatches

DUSHANBE, Tajikistan — Several dozen gunmen attacked the headquarters of Tajikistan's presidential guards early Thursday, killing 14 soldiers in a raid that raised questions about the stability of the Central Asian nation.

A force of more than 70 gunmen opened fire on the compound with automatic weapons and grenade launchers shortly before 3 A.M., according to the guard commander, Major General Gaffar Mirzoyev.

The gunmen seized two guard posts, and then stormed a barracks, shooting five sleeping officers at point-blank range, General Mirzoyev said.

More than 20 guards were wounded in the ensuing battle, which raged for an hour and a half before the attackers were forced to retreat, he said.

Some of the attackers were also killed and injured, but the number is not known.

The identity of the gunmen and the reason for the attack have not been determined, General Mirzoyev said. The Tajik opposition leader, Davlat Usmon, blamed the attack on renegade rebel groups that do not recognize the authority of the opposition coalition, the Itar-Tass news agency reported Thursday.

President Imomali Rakhmonov's government signed a peace accord in June with mainly fundamentalist Muslim opposition groups to end a civil war that broke out shortly after the former Soviet republic became independent in 1991.

The larger rebel groups have stopped fighting and there have been halting moves toward national reconciliation. However, sporadic clashes have continued, mostly involving smaller rebel factions that refuse to recognize the peace deal.

Zafar Saidov, spokesman for Mr. Rakhmonov, said: "This latest armed action has a political aim. It's clear that behind them are forces that want to destroy the peace process here."

A string of unexplained bombings in recent weeks has made the Tajik capital tense. *(AP, Reuters)*

Ripped Stasi Files Point a Finger

Probers Patch Together Reports by Police and Informers

Agence France-Presse

ZIRNDORF, Germany — Seven years after German reunification, the best-kept secrets of the East German state security police, called the Stasi, are being pieced together here by patient and committed workers.

They are determined to retrieve what security officials had desperately tried to destroy.

The 45 people in the group are slowly and painstakingly reassembling miles of archives torn up as Stasi operatives rushed to get rid of compromising papers as the East German regime leadership was collapsing.

At first, the Stasi agents tried to stuff the documents into their shredding machines, but the volume of paper was such that the shredders broke down and the work had to be done by hand.

But there was not enough time to burn the huge quantity of torn paper left behind as the Stasi workers fled in panic, fearing citizens' wrath.

A special commission set up to deal with the Stasi archives after reunification inherited 5,600 sacks full of fragments of reports, letters, transcripts of recordings and photographs, most of them dating from the final years of Communist rule, 1985 to 1989.

About a tenth of the Stasi archives were torn up, said Johann Legner of the commission.

Documents were ripped furiously into dozens of small bits, and one sheet was even torn into 90 fragments, which members managed to sort out like pieces of a jigsaw puzzle and stick together.

"If all goes well, I can put together up to 30 pages a day, but sometimes, we only manage to do three pages a week," said Anita Flessner who was seated at a table with a pile of bits and pieces of paper that she was sorting into heaps according to the type of paper and typeface or writing.

With nimble fingers, she was trying to fit together bits of a letter postmarked on Dec. 12, 1980, to an address in West Berlin but was intercepted by the Stasi.

"I came across very intimate things — transcripts of telephone conversations, love letters," she said. "It's frightening, unbelievable. They knew everything about everybody."

The work being done at Zirndorf, near Nuremberg, has already exposed a bishop, Ingo Braecklein, as a Stasi informer who spied on his flock for 30 years.

In the West, a university professor in Kassel, Ludwig Bress, used to inform on his students and on a publishing firm, the archives showed.

To their surprise, the workers discovered the signature "Adolf Hitler" on an amnesty decree.

At the pace the work is now going, it could take centuries before all the papers have been reassembled. Since the beginning of 1995, the Zirndorf team has pieced together a little over 267,000 sheets of paper — an average of a sack and a half per person a year.

In an effort to speed things up, a new method using computers to sort and assemble the fragments will shortly be tried out, Mr. Legner said, adding that if the method was a success, it could create new job opportunities, not just in Germany but abroad as well.

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GENERAL

Personals

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Fantasies About NATO

The Senate has barely begun consideration of NATO's eastward expansion plans, and the discussion has already drifted into troubling territory. Because the Clinton administration has offered no compelling security justification for enlargement, a variety of dubious rationales are being advanced. The confusion should be a warning that the administration's scheme for NATO lacks a core organizing principle.

The most disturbing articulation of NATO's purpose comes from Senator Jesse Helms, Republican of North Carolina, the chairman of the Foreign Relations Committee. He would frame NATO expansion partly as a means to isolate Russia. That Cold-War approach is likely to boomerang.

Russia no longer presents a military or political threat to Europe. It is a nascent democracy with a struggling market economy and a hollow conventional military force. Even under the most alarming political realignment in Moscow, it would take Russia years to reconstitute its military machine. Positioning NATO today as an alliance against a potential Russian threat can only strengthen the antidemocratic forces in Russia.

Another proposition would radically expand NATO's purpose from the territorial defense of Europe to the defense of common American and European interests anywhere in the world. That is a startling idea, with all sorts of implications.

A NATO claim to conduct military operations in the Middle East, Asia or Africa would certainly be a surprise to countries in those regions. It might also alarm Americans, who thought that the Atlantic alliance merely obliged them to come to the defense of European democracies.

The idea of a global NATO is supported by two veterans of President Bill Clinton's first-term cabinet, Warren Christopher and William Perry, both instrumental in designing the expansion into Eastern Europe. Although their notion seems improbable and imperial, it warrants discussion at some point.

The coalition of European and Middle Eastern nations that fought alongside America in the Gulf War offers a model for the kind of military cooperation the two men seem to have in mind. But the very audacity of their idea makes it a mismatch for the enlargement plan now before the Senate, which would add Poland, Hungary and the Czech Republic to NATO by the end of the decade. It is hard to see what relevance the admission of three or more East European nations would have to NATO activity in the Middle East or the Far East. The countries have neither the money nor the military forces to make a meaningful contribution to such operations.

It was unnerving to hear the global NATO idea casually discussed at the Foreign Relations Committee hearing by Senator Richard Lugar, Republican of Indiana, Senator John Ashcroft, Republican of Missouri, and Secretary of State Madeleine Albright as though it were just another idea floating about the Capitol. Its acceptance would mark a tectonic shift in international affairs and require the negotiation of an entirely new NATO Charter.

Other equally inappropriate security constructs are bound to appear in the weeks ahead because there is no sensible and suitable military reason to expand NATO eastward at this time. The expansion plan is a poor substitute for the economic and political integration of Europe that ought to be taking place under the leadership of the European Union.

As the Senate weighs expansion, which must be approved by a two-thirds majority to become effective, it should concentrate on practical security questions, and related matters like the unknown costs of enlargement. It ought not to dwell on the prophecies of Mr. Helms or expansive theories about the global projection of American power.

— THE NEW YORK TIMES.

Mayhem in Colombia

It is hard to think of any country anywhere that spells more trouble for the United States than Colombia, which produces most of the heroin and cocaine that Americans voraciously consume. Yet few countries are harder for the United States to deal with.

The problem is not simply that some Colombians are corrupt. (The president's cartel dealings led Washington to "decertify" his country as an antidrug partner.) The problem is that even when a branch of the government — the Colombian police — earns its spurs, the rest of the government, including the military, cannot cope with large and expanding threats to public order, to control of the national territory and to the rule of law. A strong government the United States could at least address and hold accountable. A weak government slides away.

What is going on in Colombia is a peculiar, sprawling crisis. Its players include officers and branches of the government, the drug cartels, the guerrillas they hire and pay off, other guerrillas whose priority is political power, and assorted paramilitary bands that are either in conflict or in cahoots with the above. Recently, the government has been pressing a quest for political accommodation with the guerrillas, who have been in rebellion against the state for more than 30 years. Success in that effort could produce great rewards on the front against drugs and throughout Colombian society.

The nature and flux of the Colombian situation have complicated the usual American attempt to locate an interlocutor, friendly or otherwise. President Ernesto Samper is kept at a distance for his personal corruption, although the anti-drug agenda he has nonetheless pursued has just earned him a meeting with the top Clinton anti-drug official. The police are in, to a point. The military are out.

In Washington, the Colombia question is more than a little political. The Republican right suggests funneling more aid to the army and helping some paramilitaries. But the army is not reliable, and to pump up paramilitaries that are out of official control and notorious for human rights violations is a nonstarter. American law requires the U.S. government to take up the decertification question again next March; it is a case of attempting very delicate political surgery with a very blunt legal instrument.

If the flow of drugs did not impart urgency, the United States might better concentrate on helping Colombia accomplish the great national reconciliation that its fractured society requires. But there is the drug urgency. American policies and programs are inevitably the second or third line of defense. Colombia's own political process is necessarily the first.

— THE WASHINGTON POST

Other Comment

Guevara the Symbol

Che Guevara is a cultural icon today largely because the era he typified left cultural tracks. In the '60s, politics and culture converged, but culture lasted and politics did not. The '60s mainly affected those meandering channels of power beyond the state that circumscribe, order, classify and delineate human lives in modern societies.

The '60s are still with us today because they brought about an irreversible cultural insurrection in the "modern" part of the globe. Something changed in 1968, and the world would never again be the same.

The upheaval affected relations between young and old, men and women, sanity and madness, health and illness; between subjects and objects of power, teachers and the taught, black and white, even rich and poor. Liberation of sexual mores, dress habits, musical and visual tastes. Irreverence in the face of authority and, beyond, the recognition of otherness of all persuasions remain today the most outstanding bequests of the '60s.

Che then finds himself just where he belongs: in the niches reserved for cultural icons, for symbols of social uprisings that filter down deep into the soil of society, that settle in its most intimate nooks and crannies. For many today, we owe the few attractive and redeeming features of our daily existence to the '60s, and Che Guevara personifies the era better than anyone.

— Jorge G. Castañeda, author of "Compañero: The Life and Death of Che Guevara," in an article distributed by New York Times Special Features.

Politics and Economics Go Together Everywhere

By Flora Lewis

HONG KONG — Political leaders and official boosters insist that the sudden Southeast Asia currency crisis is only a temporary setback. But high-level government, business and academic participants at the East Asia World Economic Forum here focused on the lessons to be learned if the region as a whole is to resume robust growth and the promise of steadily enhanced weight in the world.

Filipino President Fidel Ramos said the sharp drop in the value of his country's peso, Thailand's baht, Malaysia's ringgit and Indonesia's rupiah was a "wake-up call." Nobody echoed Malaysian President Mahathir bin Mohamad's charges of a Western conspiracy mounted by speculators to destroy poor countries' hopes for prosperity, or, for that matter, his argument that "Asian values" are preferable to and incompatible with Western ideas of individual freedom.

The gathering produced strong undertones of awareness that a lot more reform is needed if Asian societies are to continue their phenomenal rise in living standards. At the same time, there was considerable skepticism about whether they are politically capable of doing what is needed.

There is a reluctance to talk about the political implications of the economic shock. It is impolite here to cause embarrassment, so people avoid criticizing publicly. Nonetheless, discussion of the causes of the crisis and its rapid contagion subtly emphasized an underlying political fragility.

It was another demonstration that the notion of keeping economic and political systems in separate categories, of liberalizing one without opening the other, cannot be sustained indefinitely.

To work well, free markets require good governance. Ultimately, that means democracy. Transparency, predictability, full information are the words the market-minded use instead. But it comes to the same need for public control to forestall corruption, cronyism, abuse of power.

Rudi Dornbusch of the Massachusetts Institute for Technology was one of the few voices to proclaim a "lack of realism" in the belief that Asians have found a special, almost magic formula for going on and on to produce economic growth. He was blunt, and pessimistic about the willingness of establishments to make the necessary changes in the way they operate before they bring more and bigger shocks.

His harshness provoked uneasy laughter, a way of avoiding the issue. "Japan is basically half dead," he said. "Crisis exists in China but it is hidden. If we get financial trouble in China, then the world will shake."

He reminded the assembly that "it isn't easy to clean up a banking system, particularly if you don't try ... The crisis isn't over because it isn't clear whether governments can react. In Thailand, every politician owns a bank and every bank owns two politicians."

There are vast amounts of money available now in the world, looking for opportunities to make a profit. Everybody wants to attract some, including nearly sealed North Korea, which sent a middle-level official to urge foreign investment in his country.

But the money that flows in can flow out, or money can refuse to arrive at all, if the risks look excessive or conditions uncertain and onerous. In that way, globalization is creating new political needs in the countries which have benefited the most so far, just as it is creating political pain in mature economies striving to compete for jobs.

China, whose President Jiang Zemin is about to leave on a triumphal state visit to the United States, appears confident that it can escape this pressure. One Chinese speaker boasted that in recent years it has drawn in more foreign investment than any country except the United States.

"China is on a one-way street to development and modernization," he said. But there was pointedly no answer when his promise that investors would be able to get reliable information provoked a question about whether that would include full disclosure from state-owned enterprises. That street will have to lead further than China contemplates.

For now, China's event-less takeover of Hong Kong has helped Beijing maintain its economic magnetism. Hong Kong residents talk of an anticlimax, and the Beijing-picked chief executive, Tung Chee-hwa is soon off to spread his bland reassurance message to Japan and Europe.

Among the consequences of the end of the Cold War has been to turn political leaders who used to talk about security and ideology ever more into traveling salesmen. That is what President Bill Clinton's trip to Latin America is about. The idea isn't all that new, though. President Calvin Coolidge said in the 1920s that "the business of this country is business." But economics cannot be divorced from politics. They are becoming as linked internationally as they are in national and local affairs.

The old phrase "political economy" had it right. The market leads globalization, but globalization is much more than the market.

© Flora Lewis.

Israelis Set the Pace, and They Don't Like Suicide Bombings

By Thomas L. Friedman

WASHINGTON — Well, Benjamin Netanyahu had good news and bad news this week. The good news was that he made the worldwide cover of The Economist. The bad news was that The Economist labeled him "Israel's Serial Bungler" and said he should resign.

That misses the point. The most important political fact to emerge after Israel's bungled assassination attempt of a Hamas activist in Jordan is that Mr. Netanyahu's popularity in Israeli polls has gone up. Israel's call-in radio shows overwhelmingly support Bibi.

Now that is interesting. We all have to think about that. It tells us something very important.

A rage lurks beneath the surface in Israel today over the fact that Israel not only has not got the peace it expected from recognizing the PLO and giving back parts of the West Bank and Gaza, but it has been treated to a form of terrorism, suicide bombing, that is more pernicious and terrifying than any form of terrorism ever encountered by a modern democracy.

This suicide terrorism invades every aspect of daily life. Do I ride the bus or not? Do I go downtown or not? Do I let my kids go downtown or not? I was just in Jerusalem. I walked a mile out of my way to get to the Lufthansa airline office so that I wouldn't have to walk through the city center.

What would The Economist say if, after a peace accord between Britain and the IRA, 126 British citizens were killed and 500 wounded in 10 separate IRA suicide bombings in the heart of London, Manchester and Edinburgh? And if Prime Minister Tony Blair then ordered MI6 to assassinate an IRA agent in France, but the operation was bungled? Would Britain's polls turn against him?

There is an attitude among Arab leaders today that goes like this: "Yes, we condemn the latest suicide bombing, but could Israel now get on with its withdrawals?" Well, they may condemn that terrorism, but Israelis are still living with it every day in every decision they make about where to walk.

The silent majority in Israel stopped caring a long time ago about Nablus or Hebron or Gaza or a Palestinian state. As far as the silent majority is concerned, the Palestinians can have them all. But Israelis still care intensely about being able to eat in the Apropos Café in Tel Aviv without being blown apart, and about being able to shop on the mall in West Jerusalem without being blown apart, and about being able to take the No. 18 bus to Mount Scopus without being blown apart. And if they can't do those things, then no amount of serial bungling by Mr. Netanyahu will turn the silent majority against him.

If you want Mr. Netanyahu out of office, or if you just want him to do the right thing on the peace process, you have to understand that the only effective lever on him is the Israeli public. Right now that lever is working for him and not against him.

Terrorism neutralizes the Israeli people. It depoliticizes them. It silences the opposition. It freezes Israeli politics.

There are three views of Mr. Netanyahu. One is that he is an utter incompetent, buffeted around by larger political forces. Another is that he is a dangerous ideologue who has maliciously aggravated the peace process. The third is that he is a pragmatic politician who will give back 75 percent of the West Bank if that is what it takes to make peace and get re-elected.

He moves back and forth among all these images, and he exploits Palestinian terrorism to avoid having to decide who he really is and where he really wants to lead. Only the Israeli public can corner him and force him to choose. And the Israeli public will do that, it will act on its instinct for a settlement, only if this threat of suicide terrorism is removed.

These suicide bombings started before Mr. Netanyahu came to power, they continued after he came to power, and as long as they don't stop, Israeli politics can never start. And that is the point.

The New York Times.

Mystery: If NATO Is to Grow Bigger and Bigger, What For?

By Frederick Bonnart

PRAGUE — The enlargement process is moving ahead rapidly at NATO, in the capitals of the present members and in the three invited countries (Poland, Hungary, the Czech Republic) to meet the deadline of April 1999. Behind this well-organized effort, pressure is building from other countries to ensure an invitation then.

The danger arises of seeing the present organization of 16 members increase not only to 19 by 1999 but to 25 and perhaps 30 a few years later.

NATO declared early on that it was changing, and change is now in full swing, yet no plan appears to exist for financing, decision-making and above all the new direction of this changed organization.

The timetable is tight. The three invited countries are concluding their individual accession meetings with NATO to enable them to adapt their defense machinery. The talks cover the legal, military and financial aspects of membership that must be in place before the NATO Council can certify their suitability. That report has to be sent to the member countries by the end of the year for the required ratification process by their Parliaments.

Parliamentary preparations are moving ahead. This is particularly important in the U.S. Senate, where the administration's request to approve the accessions is likely to encounter most opposition. It is, nevertheless, likely to be the quickest. Approval is expected by next spring. Most European Parliaments will take longer.

The biggest challenge will be for the three applicant countries. They will have to undertake considerable changes, not only to harmonize their military forces with those of NATO — which involves organization, equipment and above all procedures — but in the method of their democratic control.

They have benefitted considerably from several years of increasingly close association with NATO, but on the political as well as on the military level big obstacles still remain to be overcome.

Nevertheless, the energy and enthusiasm with which these problems are being addressed are evident, both at NATO and in the countries themselves. So it would be little short of disastrous if ratification were not forthcoming, or were delayed beyond the target date.

The blow would inflict inestimable damage not only to the process of democratic renewal of the three prospective members, but to the credibility of NATO and the ability of the old democracies to influence the world.

The lesson here is that once a formal invitation is issued, the process has to be seen through to the end. Decisions made by the national executives will have to be ratified by legislators.

NATO's leaders have stated that they will review the further invitation process at the next summit meeting, and have singled out Romania and Slovenia for praise. That is being interpreted by these countries as a firm engagement; they expect a formal invitation in April 1999.

At the same time, Austria is examining accession. At NATO, Austria's candidacy would be well received. Austria's defense effort is weak (military spending, at 0.9 percent of GDP, is well below NATO averages), but the country is politically, economically and culturally part of Western Europe; its geographic position is also a point in favor.

So there could be at least three new candidates in 1999.

But loud protests would come from Europe's north and south. The Baltic states are moving rapidly toward membership in the European Union, which, they will claim, will put them on the same footing as Austria. Balkan candidates are favored by the southeastern NATO allies, while the Baltic peoples are well represented in the United States.

Strains on the newly harmonious NATO-Russian relationship need to be considered, but there is a prospect of NATO membership reaching 30 before many years pass.

With even only 25 members, will the Article 5 guarantee — the common defense commitment — apply? If so, will the new members be provided with standard radar, integrated air defense systems, extended airfield runways, eventually road, rail and pipeline links, as is intended for the presently invited three? Have cost estimates been made, and has anyone dared to think where the money is to come from?

If not, then surely it is time. And then there is the more fundamental question: What, when all that happens, will be the purpose of the organization? A declaration of the members' intent is long overdue. It should not have to wait for the next summit meeting.

The writer is editorial director of NATO's Sixteen Nations, an independent military journal. He contributed this comment to the International Herald Tribune.

Thoughts on Europe's Jobs Crisis

By Peter Passell

NEW YORK — America's ability to reduce unemployment to less than half the rate in Europe without causing inflation is widely attributed to wrenched low-end wages. But Alan Krueger, a labor economist at Princeton University who never misses a chance to debunk conventional wisdom, isn't so sure.

His fresh examination of "the U.S. employment miracle," written with Jorn-Steffen Pischke of MIT and available as National Bureau of Economic Research Working Paper 6146 (www.nber.org), is no defense of rigid European labor policies. But it suggests that the success of the American jobs machine has much to do with the vitality of small and medium-size business.

The OECD estimates that unemployment in France reached 12.6 percent in September, almost triple the U.S. rate. Germany (9.7 percent) and Sweden (10.5) were not much better.

One popular explanation is that minimum wages, which exceed $10 an hour in affluent Northern Europe when social insurance taxes are included, deter employment of the unskilled. If the minimum wage does not scare off employers, powerful unions do.

Outside Britain and the Netherlands, free-market politicians despair of breaking labor market rigidity. The majority, who are employed, are unwilling to accept pay cuts. The substantial minority who are shut out have been pacified with generous welfare checks and free public services ranging from high-quality child care to pensions at age 60.

But Mr. Krueger and Mr. Pischke point out that the evidence linking regulation to unemployment is weaker than the commonsense appeal of the hypothesis. Until the 1970s, unemployment was generally lower in Europe than in the United States.

Besides, unemployment among highly educated European workers has risen roughly in proportion to unemployment at the bottom.

The two economists argue that there is scant evidence that the U.S. labor market adjusts to changes in the supply of workers by raising and lowering wages. Unskilled wages were depressed by the flood of baby boomers into jobs in the 1970s. But the "baby bust" of the late 1980s, which many economists expected would elevate wages, coincided with a steep decline in low-end compensation.

Mr. Krueger is not convinced that the key to full employment in Europe is American-style labor policy. He conjectures that a different strength of American capitalism helps explain job growth.

In Europe, he suggests, jobs are created from the top down as big business and big government mobilize scarce capital and expand production capacity. In the United States, where virtually all employment growth in recent decades has come from small and medium-size service businesses, the key to expansion has been individual enterprise.

Do Europeans lack entrepreneurial skills? Entrepreneurs certainly have not traditionally been honored in classrooms or glorified in the European media the way they are in the United States.

More tangibly, Mr. Krueger says, U.S. entrepreneurs face lower hurdles. Shops and other small businesses are less likely to be hemmed in by regulations — zoning, licensing, hours of operation — designed for the most part in Europe to guarantee incumbents a comfortable living.

Venture capital is easier to obtain in America for small businesses. Banks and specialty lenders are more likely to provide credit for businesses with strong track records.

The hypothesis (Mr. Krueger calls it a conjecture) is good and bad news. There may be softer variations on the U.S. capitalist model that generate higher employment and stable prices without shredding the safety net.

On the other hand, individual initiative is not so easily grafted onto old corporatist welfare states. "Shedding regulation might not get Europe where it needs to go," Mr. Krueger concludes.

The New York Times.

Herald Tribune
INTERNATIONAL
ESTABLISHED 1887

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U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802, Fax (171) 240-2254
S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: A Superior State

PARIS — The last proposition seriously made for the creation of a new American State emanates from those who propose a subdivision of the State of Michigan into two States by setting apart the northern peninsula as the State of Superior. The proposal is to take the northern counties of Wisconsin and add them to the detached portion of Michigan and include the city of Superior. The State of Superior would be one of the richest parts of the country in woods and ores, and it may be that with a separate State Government its material interests would be advanced more effectively than under the present conditions.

1922: Electron Tube

NEW YORK — It may some day be possible to bring power from Niagara to New York by wireless, according to Dr. Ernst Fredrik Alexanderson, the well known electrical inventor. He says that the electron tube has now been perfected, and he regards this advance as as important a step in applied science as the invention of the steam-engine and the dynamo.

1947: Indian Protest

NEW DELHI — The India Defense Ministry announced that additional detachments of troops are being landed by the Royal Indian Navy at Jafarabad, the seaport near the predominantly Hindu state of Junagadh, whose Moslem ruler has acceded to Pakistan against India's wishes. Junagadh is surrounded and cut up by other Princely states which have acceded to the India Dominion. India has protested against Junagadh's action and has suggested to Pakistan that a plebiscite be held to let the 800,000 population of Junagadh decide the issue.

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OPINION/LETTERS

When Will Clinton Start Thinking About Future?

By Ellen Goodman

BOSTON — My apologies to the man in the third row in the hall in Akron, Ohio, last week. He asked a good question and got a glib answer.

"What place do you think Clinton will occupy in American history?" he asked.

"Oh, from 1992 to the year 2000," I replied.

An understanding laugh rippled across the audience of presidential friends and foes, but I wasn't exactly avoiding the question. In one way or another, even those who voted for him have come to see him as a seat-warmer, a fill-in-the-blank-years sort of president.

The man who came in singing "Let's start thinking about tomorrow" has been living in the now. He is working within the narrow constraints of today, doing a bit of renovation here, reconstruction there, patching and filling, but not much building.

When future students run down the presidential ranks, what will they remember? That he was the first president to have been sued for sexual harassment? That he dismantled welfare? That he presided over a booming economy in which working people became less secure? Or that he was the post-Cold War superpower leader who let America drag its heels behind the great international movements?

It is this last question that I have been thinking about since the Nobel Peace Prize was awarded to the International Campaign to Ban Land Mines. Last Friday, Jody Williams, the indomitable leader of this grass-roots humanitarian movement, stood appropriately barefoot in her Vermont yard and invited the president to "join the tide of history."

In less than six years, the campaign has gone from idea to reality. The idea belonged to a Vietnam veteran, Bobby Muller, who lost his legs in the war. When he returned to Vietnam in 1991 to help veterans there get prosthetics, he found that the new victims were civilians and the enemy was old land mines littering the country.

Since then, with Ms. Williams at the helm, an international coalition of 1,000 groups in 60 countries has focused attention on the dangers of simply walking the earth. Land mines have become targeted as the lethal leftover crop of war. A hundred million mines are planted like poisonous roots throughout the world, killing or maiming an estimated 26,000 civilians a year.

From 1991 to 1997, the campaign created a draft treaty signed by nearly 100 governments, which will be formalized next month in Ottawa. But not by the United States.

Ms. Williams said the Nobel committee had recognized that "in the post-Cold War world you can do diplomacy differently. You don't have to rely on the superpowers to make a decision and address a humanitarian crisis with rapidity."

But you do need superpowers to sign on. After Russia agreed to the treaty last Friday, the United States and China are the only major powers who have said "no."

America has gone from being a leader on this issue — banning the sale of land mines, beginning to destroy its own stockpile and devoting $153 million to removing others across the world — to being an outlaw. The United States is raising the issue of "smart" mines (those that self-destruct) and "dumb" mines. And it is insisting on a single exception — for the demilitarized zone between North and South Korea. We demur that "our" land mines save our soldiers' lives. But none of these issues holds water against the humanitarian arguments.

The reluctance to sign the ban is part of an unhappy pattern of a president who campaigned as a national dad. He talks of the environment as the foreign policy issue of our time, but the United States has yet to agree to an international treaty on global warming. He talks about the importance of banning land mines, but America trims and refuses to sign on.

In The New Yorker this week, with more than two years left of the Clinton presidency, a writer speculates about what this energetic, young president will do next. Talk radio? Teaching? The Senate? Meanwhile, the roundtables and experts — like our man in Akron — already wonder what President William Jefferson Clinton, 1992-2000, will leave behind.

A dangerous future is now spewed into the air and sown underground. It is time, at last, to start thinking about tomorrow.

The Boston Globe

LETTERS TO THE EDITOR

'Sensible Uses' for Mir

Regarding "The Weightlessness of Space Policy" (Opinion, Oct. 2), by Daniel S. Greenberg:

With Mir mishaps daily in the news, it is tempting to believe that cooperation with Russia is at best anti-terrorist insurance and at worst merely charitable. But the writer misses most of the fundamental points about what the United States can learn in its support for Mir.

Although much is known about weightlessness, much remains to be discovered about the psychological aspects of people from different cultures working together in space under pressure, whether to conduct scientific experiments or to fix life-threatening problems.

Also, the art of improvising repair, which one could call the Russian national pastime, has, sadly, nearly vanished in America. And make no mistake, the U.S. space shuttle Challenger, with its brittle O-rings, was far more dangerous than Mir has ever been.

In fact, Mir is not "ramshackle" in the traditional sense; it is a collection of modules and components, some old, some new, constantly under inspection and revision, much like today's jet airliners. Like an old Boeing whose maintenance threshold has been reached, Mir will be abandoned when its inhabitants spend more time fixing than experimenting, which is not yet the case.

To say that no "sensible use" has been identified for the international space station project is to ignore that in the 21st century satellites will be assembled, deployed and serviced from this station, not because U.S. congressmen want pork in their districts, but because worldwide clients of U.S. companies — telecom users wanting more bandwidth, consumers wanting more media choice, investors trading around the clock in worldwide exchanges — will pay for the satellite availability that only space-based maintenance will ensure.

SEAN DALY.
Moscow.

Expatriates Count, Too

There is indeed no systematic attempt, such as the census at home, to achieve a complete count of Americans living abroad. *("All Abroad! A Surge in Expatriate Americans," Oct. 13)* This is most unfortunate. The psychological and political impact of including Americans abroad in the national census cannot be overestimated.

It is difficult to address specific concerns of Americans abroad, or to recognize them as a valuable national asset, when statistical information is not available about location, gender, age, family status, occupation, and socioeconomic conditions. Such information would also help Americans abroad present issues to Congress and the administration with more authority and credibility.

If the government is able to tax Americans abroad, it should be able to count them.

WARREN W. FURTH,
Associate Executive Director,
American Citizens Abroad.
Geneva.

A More Deadly Peak

Regarding "Steam From the Killer Mountain Is Just the Fairies Baking Bread" (Oct. 9):

The article states that the Himalayan peak Nanga Parbat "has killed more climbers — at least 80 so far — than any other mountain." Sadly, this is not so. In the Alps, Mont Blanc averages 100 fatalities every year.

WILLIAM J. LARSON.
Nyon, Switzerland.

Look in the Mirror

Perhaps we should view the scandals and ensuing inquiries in the White House from an entirely different angle: There are many mirrors in that house, all offering us a reflection of our society at large.

PAUL MITCHELL.
Tucson, Arizona.

Aboard Cassini, the Stuff Of Our Hopes and Fears

By Verlyn Klinkenborg

NEW YORK — My generation grew up pinioned between two technological tensions: the patriotic optimism of President Kennedy's manned space program and the fear of nuclear war — epitomized, when I was too young to understand it, by the Cuban missile crisis in 1962.

Nuclear fear was, perhaps, the more realistic of these two emotions. It conjured up a terrible post-conflict America that wasn't actual, but that could become actual at any moment. With a few stunning exceptions — Alan Shepard's flight, John Glenn's orbit, the moon landing — the optimism evoked by the space program was always being deferred. Even its long-range rationale — the future colonization of space — was a deferral of sorts.

MEANWHILE

The future that the National Aeronautics and Space Administration envisioned had to be imagined to be believed, as did the future envisioned by the most persuasive of anti-nuclear activists. But for some reason it is nearly always easier to imagine your fears than your hopes.

These two tensions converge in a single NASA mission, which began Wednesday with the launch of the Saturn-bound Cassini spacecraft. NASA calls Cassini "the largest, heaviest and most complex interplanetary spacecraft ever built." It is carrying 72 pounds (32 kilograms) of plutonium to power the probe.

In scale alone, Cassini is something of a relic, a reminder of a more politically solvent NASA. The furor surrounding its plutonium is also something of a relic, harking back to a time not long ago when the thought of nuclear war was the gold standard of sobriety.

Critics of Cassini worry, in the words of Karl Grossman, author of "The Wrong Stuff," that "if the Cassini probe blows up, we will be in a heap of trouble, as plutonium could rain from the skies." NASA claims that the potential danger posed by the plutonium is not large. The White House Office of Science and Technology Policy agrees, arguing that "the important benefits of this scientific mission outweigh the potential risks."

I prefer even the soft patter of anti-nuclear rhetoric to plutonium rain, but I also want to know what Cassini will be able to tell scientists when it finally reaches Saturn seven years from now.

The kind of conflict surrounding Cassini is nearly always read by one side as the struggle between democracy and institutional science. But the struggle really lies between the democratic right of oversight in technological matters, which has been grievously neglected in the past, and the scientific impulse, a restless, altogether human curiosity about the physical universe. Democracy and science are not antithetical. Both work best when practiced skeptically, in company with each other.

Science can be simple, and it can be complex. It can be performed by individuals on tiny budgets and by bureaucracies as curiously intricate as NASA and the Department of Defense. Some of the scientific enterprises that lie ahead of humanity, like many in the past, will merit more than scrutiny; they will deserve rebuke. All of them will require risk assessment and oversight.

But to assess risk you must be able to gauge the value of the knowledge — always an unknown — for which risk is undertaken. That is the hard part — imagining hope and fear with equal realism. It's easier to weigh the danger in Cassini than what it may reveal about Saturn. But that's no reason Cassini shouldn't fly.

"Long before a thousand years have passed," Freeman Dyson writes in "Imagined Worlds," "life will have spread over the solar system." I had hoped, when I was a third grader, to be on Mars by the time I was 24, an age that seemed to me then to lie deep in the beyond of time. Oddly, the future I imagined at age 8 was one in which humans were merely more widely distributed across the planets. But almost a whole new cosmology has materialized since then, revealing a universe that is older, larger, stranger and more dynamic than anyone could have guessed in 1960.

Thanks in part to missions like Cassini and the Hubble Space Telescope, I live in a completely different universe than I did when I was a kid, and that may be space travel enough for me.

New York Times Service

BOOKS

SERPENT IN PARADISE

By Dea Birkett. 296 pages. $23.95. Doubleday.

Reviewed by Jonathan Yardley

IT WAS to Pitcairn Island in the South Pacific — as every schoolchild not so long ago knew — that Fletcher Christian and his men fled in 1789 with their Polynesian inamoratas. They had mutinied against Captain Bligh of HMS Bounty, sent him off in a longboat with a few loyal subordinates, and bumbled their way to the minuscule rock island in the middle of nowhere. In no time at all they and their place of refuge became the stuff of romantic legend; though all the evidence suggests that their life there was anything except idyllic, Pitcairn became, for millions who never had a hope of seeing it, what Dea Birkett calls "our island, everyone's island, anyone's island . . . the garden of Eden."

Birkett, a British journalist, was one of those who fell under Pitcairn's spell. "Thirty years old and unmarried," she decided a few years ago to see if she could go there, to live among the few dozen descendants of Christian and his men. Presumably she had this book in mind from the outset, which as in all such ventures lends a calculated air to what purports to be an escape and an adventure, but that does not significantly diminish the many pleasures that Serpent in Paradise affords.

Whatever she may have meant this book to become as she set off on her journey, Birkett has written a cautionary tale, the moral of which is: If you have a romantic dream, keep it a dream. "We all hold a place within our hearts — a perfect place — which is in the shape of an island," she writes. "It provides refuge and strength: we can always retreat to its perfection. My mistake was to go there. Dreams should be nurtured and elaborated upon; they should never be visited. By going to Pitcairn, I had vanquished the perfect place within myself."

Getting there was no easier than being there. To begin with, Pitcairn is deeply suspicious of outsiders and requires a "license to land" of any visitor. A license is hard to come by; only by using the ruse that she wanted to study their postal service was Birkett able to persuade the islanders to let her join them.

That accomplished, she then had to get there, which is exceedingly difficult. No ships or airplanes make scheduled stops at Pitcairn. By luck Birkett was able to book passage on a Norwegian tanker bound from Houston to New Zealand.

"I'd have a stress-free time among these South Pacific people, observing, listening, joining in and then recording my impressions in my journal each night. I'd live as they did, and I saw waves of lazy days stretching out before me as I dabbled in the island's crafts — making bundles of putty-colored paste known as pilhi, weaving baskets, painting hattie leaves and engaging in the other gentle arts I'd read about in books. If the weather was fine, I could go for a swim or fish from the rocks, take a walk to the other side of the island, and settle under a pandanus tree to read or write in my journal."

For a while that seemed a reasonable expectation. Birkett was welcomed warmly by her hosts, Ben and Irma Christian, and their son, Dennis, who cast a longing eye at her. She was given jobs to do and began to make her way into the tiny community. She learned to understand and even to speak the pidgin English the natives spoke. She felt somewhat suffocated by the Seventh Day Adventism to which the island had converted in 1886 — no drinking, no dancing, no smoking — but soon found that younger people took it lightly and had established a means of escape. She became adept at cooking within the limits imposed by the island's food supply. She also came to appreciate the all-for-one, one-for-all system by which the isolated little community lived and the "generosity of spirit" this reflected.

But within that very system lay the seeds of her rejection by the island. She had a brief tryst with a handsome young islander and was immediately found out, indeed presumably was observed in the act. People who had been friendly to her now declined to speak, or spoke rudely:

"Whenever I left my room, I never knew how I would be greeted. Neither Dennis nor Irma had spoken to me for two days, and when I'd seen Alison in the store, she had ignored me, too. When I cracked a joke, I didn't know if it would be received with silence or a hearty laugh. When I cooked a meal, I didn't know if it would be welcomed with faint praise or, as Irma had done the night before, with a damning remark: 'Not even this lettuce is wash. It dirty as a brute!'"

NOT merely had she had an assignation with a native, learning in the aftermath that this was permitted only to natives themselves, but she had inadvertently revealed herself as a writer. Writing, to the islanders, was the equivalent of spying, and implicit in it was the certainty of betrayal, of telling the island's secrets to the world, "making public very personal things about a Pitcairner, and Pitcairn itself — the 38 knitted souls — would feel offended and intruded upon."

It seems to safe to assume that this is how Pitcairn feels now, if its residents have had the opportunity to read "Serpent in Paradise." Yet it is a portrait, not an exposé, and is written with far more sympathy than disdain. It hardly will hurt the islanders, and to the extent that it helps outsiders understand them, it may even help them.

Washington Post Service

BRIDGE

Alan Truscott

SITUATIONS that W.S. Gilbert would have called "a most ingenious paradox" occur occasionally at the bridge table. In the diagramed deal notice that North-South have slightly better prospects in six hearts, a 10-card fit, than in six diamonds, a 9-card fit. Oddly, the partnership that had room to maneuver in the bidding reached the wrong fit. In the diagramed auction, South made a gentle overcall of one heart over one club, confident that the bidding would not die, and East-West bid spades to the four level.

When North supported diamonds at the five level, South continued to slam. When a club was led, he was sorry he had not bid six hearts. In that contract he would have been able to reach dummy with the third round of trumps and take the indicated diamond finesse: a doubleton king with East was more than three times as likely as a singleton king with West.

When East won the first trick and led a second club, South had no choice. He ruffed, shrugged, and played the ace of diamonds. When the king appeared he claimed his slam happily and his opponents silently cursed the gods of the game.

He would have been subjected to a small temptation if East had returned a spade at the second trick, giving South the entry he wanted. But South would have resisted the temptation, knowing that East would not give him a chance to finesse in diamonds if the finesse was going to succeed.

In the replay, West confused the issue by opening two diamonds. This was a Multi bid, showing a weak two-bid in a major suit. This had a double impact: East had no opportunity to bid his clubs, and South had no occasion to flirt with diamonds. East responded two hearts, the normal action with neither a heart fit nor a strong hand, and the South player, Mats Nilsland of Sweden, leaped to six hearts.

This was a reasonable gamble, and West, with little clue, led a spade.

Dummy's ace took care of the club loser, and South drew trumps. Now the slam was safe, and the play of the diamonds simply decided an overtrick.

NORTH
♠ A 10 5
♡ 8 5 3
◇ J 7 6 2
♣ J 10 4

WEST (D)
♠ Q 9 8 7 4 2
♡ J 4
◇ K
♣ 9 8 6 3

EAST
♠ K J 8 3
♡ 7
◇ 10 5 3
♣ A K Q 7 2

SOUTH
♠ —
♡ A K Q 10 9 6 2
◇ A Q 9 8 4
♣ 5

East and West were vulnerable

The bidding:

West	North	East	South
Pass	Pass	1 ♣	1 ♡
1 ♠	Pass	3 ♣	4 ♡
4 ♠	5 ◇	Pass	6 ♡
Pass	Pass	Pass	

West led the club nine.

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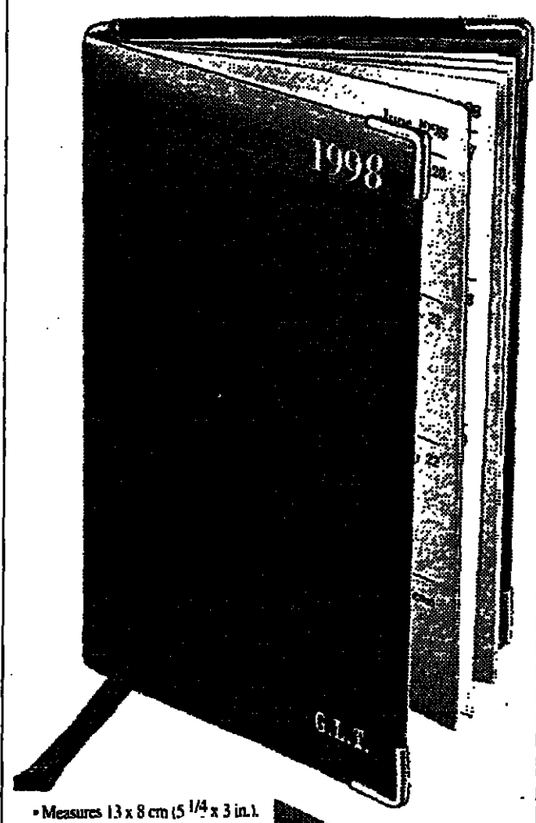

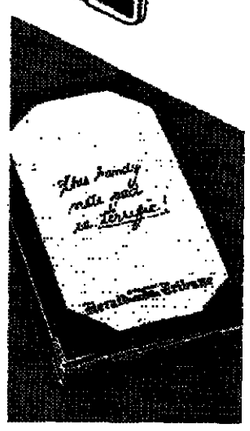

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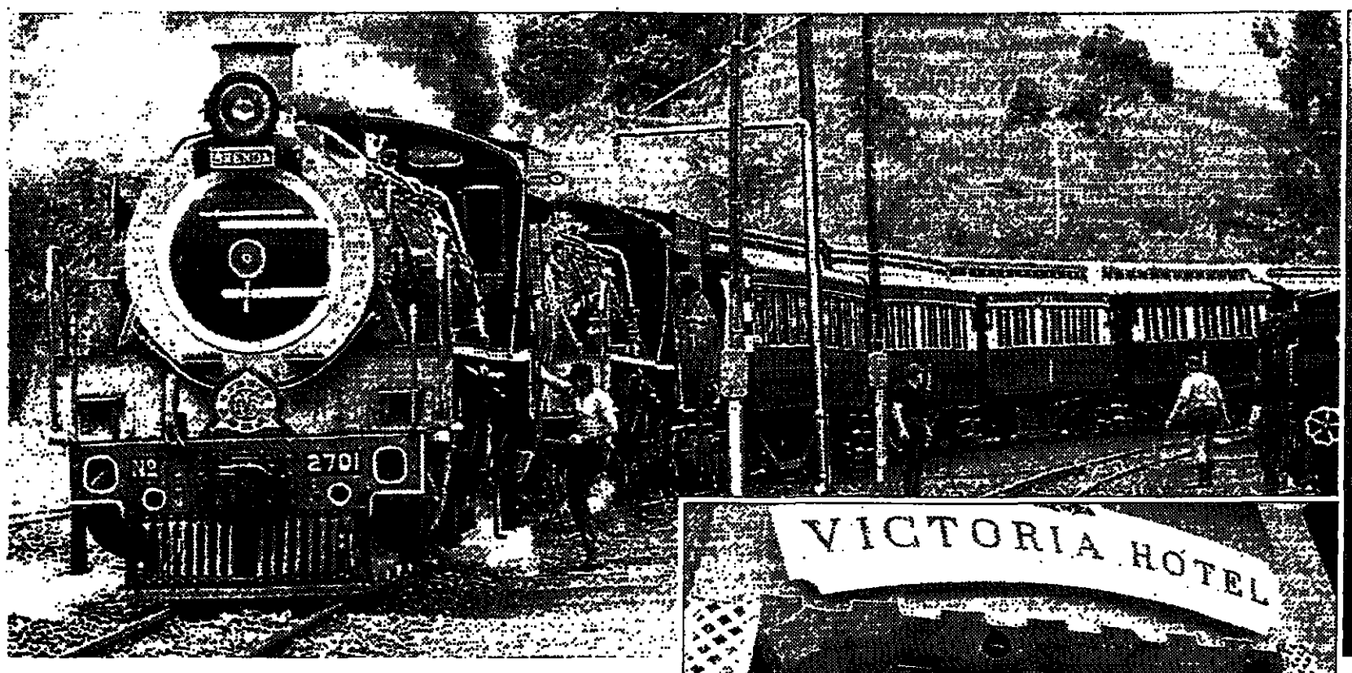


Explorer

All aboard for a trip on the restored trains of Rovos Rail; the Victoria Hotel in Pretoria, and one of the Victoria Falls chasms.

Living Large on Rovos Rail, Luxury in a Rolling Museum

By Donald G. McNeil Jr.
New York Times Service

PRETORIA, South Africa — We've all known him. The little boy whose devotion to the details of his 1:87 scale model steam train is so obsessive that he paints the microscopic lenses of its tiny lamps just the right shade of amber. Now imagine that little boy at about 2:1 scale, and 51 years old.

Now imagine that his train is a full-grown one, too, though it's a good deal older than he is, a rolling museum of the glory days of the chemin de fer. And imagine that you can buy a ticket on it, and sleep inside its rumbling coaches of polished mahogany, or watch the starlit savanna roll by from the observation car while dignified waiters hand you flutes of Champagne, your children play board games with new friends at your feet, and grass fires started by cinders from the locomotive leap into the African night.

That's what it's like to ride Rovos Rail.

The train starts in Cape Town, one of the world's loveliest cities, traverses the length of South Africa, following the tracks that Cecil Rhodes once dreamed would stretch the British Empire from the Cape to Cairo, makes a left at Pretoria (capital of the Boers, one of the major stumbling blocks to Rhodes's dream), slips into Botswana and Zimbabwe and ends at Victoria Falls.

A Full-Size Toy

Rovos Rail is not the only luxury train prowling South Africa's rails. The recently refurbished government-owned Blue Train, which also runs from Cape Town to Pretoria to Victoria Falls, is certainly the most famous. But none so completely reflect the personality of its owner as Rovos, the full-size toy of Rohan Vos, a former auto parts magnate from the town of Witbank whose hobby, restoring old railway carriages, turned into a career after he was snubbed by South African Railways. According to one of his train managers, Paul O'Connell, he asked the railroad how much it would charge him to use its tracks to take his family on vacation on a small train he had restored. "They named some extortionate sum," O'Connell said. "He said it was ridiculous. They said, 'So sell tickets.' So he did. That was eight years ago — and he's been losing money ever since."

If Vos is indeed losing money, it is perhaps because of his spare-no-expense attention to details, his appetite for more trains — he now has two, the Edwardian Pride of Africa and the Classic Pride of Africa — and the expensive delays caused by government bureaucracies.

He has put together his long green-and-gold trains — ours, the Classic, had 21 cars — by buying them from scrap yards, little railway museums, private collectors and other sources. Most were built between 1919 and 1970, but he even has an 1893 locomotive. They are refurbished at his sheds in Pretoria, rebuilt in a way that blends traditional woods and fixtures with modern conveniences like hidden minibars and roomy bathrooms.

The two Rovos Rail trains run several routes, with the trip from Cape Town to Pretoria to Victoria Falls the most popular. There are also two 24-hour trips: one from Pretoria to the Mozambique border, with a stop for a safari in Kruger Park; another from Cape Town along the mountainous southern coast to Knysna. Next year there will be an experimental jaunt through the Namibian desert to Swakopmund. Most passengers ride one way, or even one leg of a trip, and fly back.

CREAKY HOTEL For my family — my wife, Suzanne Daley, and our daughters Avery, 11, and Galen, 7 — the trip began in Pretoria, where we gathered at 9 A.M. one Monday in early August in a creaky but charming 1892 hotel, the Victoria, right across from the elegant old Pretoria Station designed by Sir Herbert Baker, architect of many of South Africa's best civic buildings.

Even the 11-room hotel, which also houses the company headquarters, is a train buff's delight. While porters strap nametags onto your luggage, you can wander halls illuminated by stained-glass windows and peek into rooms with pressed-tin ceilings, claw-footed bathtubs and brass beds.

Passengers — a maximum of 72 — gather in the dining room for a short speech by Vos, which combines a welcome, a history of the train and the rules of the rails: Don't pull the emergency brake for fun. Do shut your windows when not in your carriage, since some thieves can run as fast as the train. Don't throw cigarettes out the windows. Do dress for dinner — black tie optional — which will be announced by a gentle gong.

And keep a sense of humor about delays. There are two customs posts and seven engine changes on the Pretoria-Victoria Falls leg, and sometimes the locomotive hasn't arrived yet. "It's not easy running a Swiss-watch train service through Africa," Vos said.

Rovos Rail claims to have the world's biggest compartments; there were only three in our car, and two in the fanciest one. Ours measured about 18 feet by 6 feet — large enough so that the double beds don't fold away. Each carpeted room is paneled in beautiful West African sapele mahogany and has a writing table, minibar, air-conditioner, etched-glass reading lamps, electric outlets and real closets. In the closets were bathrobes and, in case one wanted to lean out the window, a pair of plastic goggles, as a protection against cinders. Each also has, by railway standards, a huge bathroom, with a real glass-and-mahogany shower. The bigger compartments have tubs. The only thing I missed on the train was any sense of connection to the outside world. There is one cellular telephone for emergencies, but otherwise the lack of television, phones and the like is deliberate, in keeping with the spirit of old-time travel.

Remembering the one train ride of my youth, I gave my daughters the only warning I could remember: "Don't flush the toilet when we're in a station." "Oh, it's all right," Karien Coetzer, our hostess, said instantly. "Go ahead. They fine us, but we pay. We want our guests to be comfortable."

That was my introduction to the slightly cavalier attitude that being a passenger in a rolling cocoon of wealth and finery traversing Africa's poverty inevitably makes one a party to.

LIFE in South Africa is one long study in that difference, of course, but most whites never roll through black shantytowns as this train does. On our trip, the people we passed generally smiled and waved and, when the train was stopped at a border post, walked up to the observation car's deck to say hello. Most riders — 90 percent of whom were European, American or Australian — responded in friendly fashion.

The scenery from the train is vast and romantic, but a bit monotonous, on the central African plateau — consisting of dry farmland and dry savanna with thorn trees twisted into ghostly shapes. The mountains around Cape Town are stunning, and the Matopo Hills and balancing rocks of Zimbabwe are pretty, but there are long stretches of flatland in between.

Once you are settled in, there isn't too much to do except read, talk, eat and drink, so meals take on great importance. There were two dining cars, enough for all the passengers, so there was no rushing through a first sitting or waiting hungrily for a second. The "Letaba" was particularly beautiful, a 1924 car with seven pairs of carved-roof arches and graceful aluminum fans. Unlike other cars Vos rescued from scrap yards, it was part of a museum and then used for VIP dinners by a brandy distillery. Even the mismatched cutlery on the white linen was intriguing — each piece bore the initials of a railway line. "That butter dish is older than I am," the wine steward, Bruce Parkinson, said appreciatively, translating its initials as the Afrikaans ones for South African Railways Catering.

FIVE-COURSE MEALS Each meal was a set menu, five courses with a choice of two entrées, and if one didn't like the grilled duck breast in an orange liqueur sauce, one would probably like the portobello mushroom in a tomato coulis or the rainbow trout with hollandaise. There were two sparkling wines, two whites and two reds, ports and brandies, all South African — surprisingly good, middle-priced wines.

There were two club cars, each with comfortable couches and a convivial barman. A few guests overdid it with the free drinks, but in a dignified way — and frankly, you stagger so much trying to walk the length of a moving train that it's hard to tell.

There were several delays. We were never individually questioned at customs, and the Botswanan crossing was fairly quick, but the Zimbabwean agents decided to count every bottle of wine for tax purposes and held us up for four hours, which meant our three-hour tour of Bulawayo had to be canceled.

Nonetheless, we made it to our last stop 10 minutes early, gliding into the front yard of the Victoria Falls Hotel.

"That was great," was Avery's verdict. "It was like a hotel, only better, because the scenery kept changing."

The 48-hour Pretoria-Victoria leg costs $1,200 a person, sharing a deluxe room (three per sleeping car) and $1,630 for a royal room (two per car). There are also two 24-hour trips, leaving once every two weeks. One goes from Pretoria to the Mozambique border, with an overnight stop near Kruger Park at which a night at a game lodge and optional safari can be arranged. It costs $493 deluxe, $664 royal. The lodge is extra. Another goes from Cape Town along the southern coast to Knysna, on a lagoon between ocean and forest. It costs $615 deluxe and $840 royal.

Victoria Falls Is Booming, Perhaps a Bit Too Much

By Suzanne Daley
New York Times Service

VICTORIA FALLS, Zimbabwe — A sunset cruise on the Zambezi? Who with $25 to spare could resist? And for the first hour it delivers all the magic the name implies — a languid ride along a seemingly pristine African river.

There is nothing too dreamy about the boat — bare wood-plank floors set on two pontoons, plastic chairs, drinks stored in rusting coolers and offered in well-scratched plastic tumblers. But the water is calm and the banks are lush. On one side, we pass a crocodile catching the last bit of warmth, lazing on some rocks. On the other, there are three hippos, submerged to the eyeballs but occasionally yawning for our entertainment. Strange birds swoop and call over our heads.

Then, as the hour of sunset draws closer, so do the other boats. At first there are two behind us. Then one on the left. And there, to the right; another one. By the time that huge, flaming-orange ball of a sun melts behind the palm trees on the horizon, we are surrounded. There are more than a dozen boats lined up to see the event — all shapes and sizes, all powered by outboard motors.

The signs of a booming tourist industry in Victoria Falls are easy to see, from the crowd around the Wimpy's fast-food restaurant, which charges a minimum to sit at its tables, to the packed zebra-striped tour buses whizzing past the dusty four-block area some might refer to as downtown.

The main draw, of course, is downstream from the sunset cruises: The world's biggest waterfall crashing into the gorges between Zimbabwe and Zambia and kicking up a mist that rises 1,000 feet (300 meters) into the air and can be seen from miles away.

It is a spectacular sight and remains relatively unscathed, apart from the narrow concrete path built so tourists can meander through the miniature rain forest created by the mist. The only fence that keeps you from plummeting over the cliff is a thigh-high tangle of branches. In some places, not even that exists. An untended child can walk right over the edge.

A Peek Over the Edge

But lie down — not on the flowers, please, like some people — and peek over that edge, into the Boiling Pot below the falls. You will likely see swarms of orange life jackets and blue helmets far below — tourists clambering onto rafts to ride the whitewater. Or roll over and look up, and any time after 7 A.M. you may see two helicopters criss-crossing the sky. It's $65 for a 15-minute ride. And what a ride. But when it dips sideways to afford a stomach-churning view straight down into the cauldron, the thwok-thwok of the rotors carries for miles.

A Victoria Falls vacation these days is a cross between visiting a nature preserve and an amusement park. You can jump off a 93-year-old bridge tied to a bungee cord. You can take a short, thrilling whitewater ride or make it a three-day expedition downstream. You can go "river boarding" — shooting the rapids on a surfboard. In addition to taking a helicopter ride, you can fly over the falls in a small plane or even a one-passenger ultralight that boasts "low noise pollution." And, of course, there are a range of Land Rover safaris through the nearby parks. Most of the hotels have activity desks, with staff ready to sign you up depending on your degree of common sense.

In the last few years, the number of tourists visiting Victoria Falls has skyrocketed to about 400,000, roughly twice as many as in the late 1980s. They come from all over the world, but there has been an influx of South Africans since the collapse of apartheid has improved relations between the two countries. A sporty lot, they tend to head to the line at the bungee-jumping booth. Still, my husband, the fellow with the wire-rimmed glasses who studied the classics at Berkeley, did it too, so you just can't depend on stereotypes.

To anyone who has seen the crowds and parking lots at American or European tourist destinations, it is hard to conclude that tourism is "ruining" Victoria Falls. But conservationists have begun sounding the alarm, warning that the thousands of visitors flocking to see the area's natural beauty could well end up destroying it. "It's all getting rather out of hand," said Dick Pitman, the head of the Zambezi Society, a nonprofit conservation group based in Harare, the capital. "It's an unplanned free-for-all up there, and that's not good."

To be sure, this is not yet Niagara Falls. No spotlights. No neon signs. No malls. No discount outlets. No billboards. And no row of smelly chemical factories, a less-than-pleasant feature of Niagara Falls just upstream from the cataract.

It's not even close. In fact, the stores in Victoria Falls have only a few local crafts and some safari-style clothing for sale. By Western standards, the place is still pretty raw. But Pitman and others have called for a moratorium on new development until a regional plan is agreed to. Some of the concern is over issues tourists are hardly aware of, like the major expansion needed to the sewage system. The town of Victoria Falls has nearly doubled in size in the 1990s to about 25,000 people today.

Zimbabwe officials, however, have declined to put the brakes on all development and have instead asked each potential builder to submit an environmental impact statement until a master plan is developed. Zimbabwe remains a poor country, and Victoria Falls has the country's fastest-growing local economy at the moment.

THE first tourists arrived at the turn of the century. The original Victoria Falls Hotel was begun in 1904, and it is still possible to enjoy a gin fizz on the back veranda of the brick Edwardian structure, which has 185 rooms. Thanks to a recent renovation in the British Empire style, it is even possible to raise your glass in a toast to King George V and Queen Mary, whose portraits now hang in the lobby.

But the guards are always on watch for campers from the trailer park nearby who, as one hotel administrator put it, "try to sneak in in their grubby shorts and filthy socks and use the swimming pool with our guests or do their laundry in our bathrooms."

Since part of our vacation was the ride there by steam train, we only stayed in Vic Falls two days with our two children — and we went in for the amusement park aspects. The first day we were in line at the helicopter pad by 9 A.M. — a minibus fetches you from your hotel — and didn't regret it a bit.

It's over in 15 minutes. The pilot doesn't even say hello. But you get a far better understanding of the size of the fissures in the earth that created the falls and the gorges around it than you ever could by walking the rims of them.

From inside the gardens of the Victoria Falls Hotel, one would never know there is another building in town. The view over the back lawn is of the Batonka Gorge below the falls and the graceful railroad bridge crossing it. One could argue that the bridge, built on the orders of Cecil Rhodes, the diamond magnate and empire-builder, to further his dream of linking the Cape to Cairo, was the first manmade object to ruin the view. But gin-sippers are more likely to grumble about the sight of bungee-jumpers hopping off it every 20 minutes or so, despite the fact that, even with binoculars, they are mere specks at the ends of threads.

Some things about the area haven't changed in centuries. On the path between the fence surrounding the Victoria Falls Hotel and the fence surrounding the park around the falls, one steps over what sure looks like elephant dung. A hotel security guard on the path confirms it — not only elephants but buffalo, two of the most dangerous animals in Africa, regularly wander through.

If you get stomped, it's largely your problem.

Shearwater Adventures in Victoria Falls, (263-13) 4471, can arrange whitewater rafting ($85 a person for a half day), bungee jumping ($90) and helicopter flights ($65 for 12 to 15 minutes).

DINING

For Oyster Lovers, a Feast With the Growers

By Patricia Wells
International Herald Tribune

PARIS — "Oysters," says Yvon Madec, skillfully forcing a knife between the shells of a tiny Breton oyster, "are like wine. They owe everything to their *terroir*." But in this case, it is the sea, its salinity, temperature and plankton, and not the soil, that gives each oyster its special iodine-infused aroma, flavor, texture and color.

Madec is a passionate, successful, and ambitious oyster grower who has made a name for himself in recent years with his tiny crinkle-shelled oysters known as *boudeuses*, from the north-Breton port of Prat-au-Coum, which produces some of the brightest, most saline oysters to be found in this land. He was holding court last Saturday in front of the stylish, popular brasserie Cap Vernet, one of chef Guy Savoy's satellite restaurants and one of the best.

Beginning last weekend and every other Saturday through Nov. 22, the Cap Vernet will be hosting various oyster growers from Brittany and Normandy, pairing them up with wine growers from throughout France. For oyster and wine lovers, there is no better way to understand the products and the marriage of the two than to meet the maker face to face. Madec was teamed up with the Alsatian winemaker Andre Ostertag, whose bone-dry white Sylvaner stood shoulder-to-shoulder with Madec's remarkable oysters. They're called boudeuses, or pouters, because their shells will grow only so big. The shell of a three-year-old boudeuse is about a third the size of any other "full grown" oyster, but the meat inside is as plump and generous as its full-sized counterpart.

David Sanc/IHT

While other growers may raise the boudeuses, no one has oyster beds as rich, cold and saline as Madec's, and so throughout France his name has become linked with the deliciously rich curiosity, well worth seeking out. While it is early in the oyster-eating season (colder waters make for better oysters) Madec noted that the recent lack of rain has made for particularly intense, full-flavored oysters.

Throughout the "oyster market" promotion, which runs from 10 A.M. to 1 P.M. every other Saturday, guests are welcome to chat with the growers, sample both products, and can either dine in or take home both the sparkling fresh oysters and wine.

But there are more than oysters and platters of fresh fish and shellfish at Cap Vernet, where chef Stephane Perraud and sous-chef Emmanuel Leblay — both youthful and ambitious perfectionists — offer an appealing creative menu that features everything from a snappy and modern mille-feuille of fresh marinated sardines enlivened with a touch of balsamic vinegar and a confit of tomatoes, to an earthy casserole of fragrant Lyonnaise pork sausage teamed up with potatoes and mushrooms. Equally delicious and fresh is the cappelletti of langoustines floating in a creamy crab-meat soup, or the ethereal parfait of tomato, caviar, embellished with a crunchy cabbage salad.

The Cap Vernet wine list includes Ostertag's 1995 Sylvaner (130 francs), and the dry sauvignon blanc Quincy from the Loire (the 1995 Domaine Mardon at 142 francs), but could use some beefing up in its selection of reds.

Cap Vernet, 82 Avenue Marceau, 75008 Paris: tel: 01-47-20-20-40; fax: 01-47-20-95-36. Open daily. All major credit cards. About 200 francs a la carte, including service but not wine.

هكذا من الأصل

صكنا من الاصل

LEISURE

San Agustin: An Archaeological Trek in a Troubled Land

By Elisabeth Hopkins
International Herald Tribune

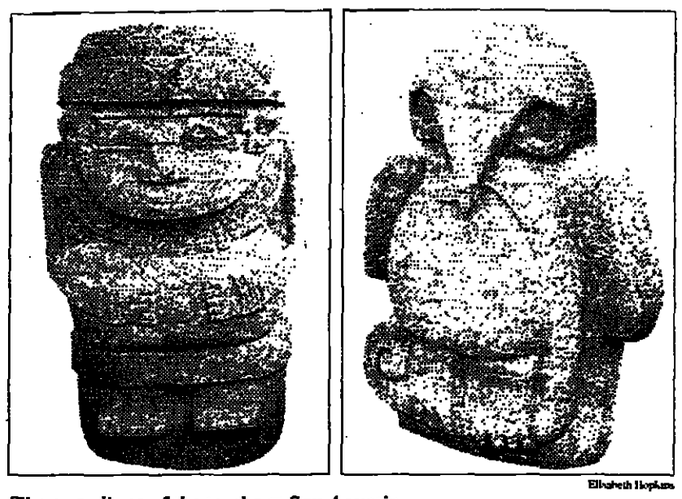
SAN AGUSTIN, Colombia — "Rebels Attack Towns in Colombia." The newspaper headlines are sadly eloquent. And Colombia's deserved reputation for violence has forced it out of most *tour operators'* brochures.

Colombia may not be everyone's idea of a vacation destination, not only because of *potential violence* but also because of the mediocrity of most hotels and restaurants outside the big cities. Yet, this visitor found *an abundance* of spectacular views and historical treasures, and, thankfully, witnessed no violence.

It started with a letter from Medellin: Friends were planning a trip to the southwestern archaeological site of San Agustin; would I join them? I landed in Bogota, officially Santa Fe de Bogota. At an altitude of 2,650 meters (8,700 feet), *the capital is* famous for its traffic jams and pollution, and its drug and emerald peddling. An alarming shortage of water is announced for the year 2000 and water restrictions are already enforced. But Bogota also has a wealth of well-preserved historic buildings, *especially in* and around La Candelaria, the oldest part of the city, with its cobbled streets of pink, yellow and green houses and carved wooden *balconies*. After some sleuthing in halting Spanish, I discovered, in the vault of a private library, the *Lechuga* (The Lettuce), an 18th-century monstrance. The five-kilogram (11-pound) vessel of gold and enamel is inlaid with 168 amethysts, 28 diamonds, 13 rubies and a mesmerizing 1,485 emeralds — *thus* its intriguing name.

The Plaza Bolivar is the heart of the capital, with the cathedral (closed, alas, for repairs) and the *17th-century* chapel of El Sagrario along one side. Also on the plaza is the Palacio de Justicia, which was stormed by the police in 1985 after guerrillas had taken the Supreme Court hostage. The Palacio, which was gutted by fire, is now under reconstruction.

The colonial churches nearby contrast the austerity of their exteriors with the opulent decoration of their interiors: *The baroque altarpieces and the realistic* statuary, including "Cristos Caidos," unusual representations of a fallen Christ, *form a rich backdrop to the religious* devotion which we observed throughout the country. Nearby, the Museo del Oro's 30,000 gold pieces attest to the artistic sophistication reached by the Indian populations before they were decimated in the vain *Spanish quest for El Dorado.*



Elisabeth Hopkins

The guardians of the tombs at San Agustin.

THE WORLD OF BOTERO The Museo Nacional, a former panopticon built in 1874, a copy of a Philadelphia penitentiary, holds "the largest collection of Fernando Botero's paintings." And *in Medellin*, the Museo de Antioquia boasts the largest collection of the artist's work. Both museums' claims are accurate since the Medellin collection also includes a dozen sculptures.

Medellin, best known as home to the declining, eponymous drug cartel and its late leader, Pablo Escobar, presents little of interest for the tourist: A dynamic industrial center, it has replaced most of its colonial architecture with a *cluster* of skyscrapers.

From Medellin to San Agustin we would have to drive 900 kilometers (560 miles). We decided to pay no heed to alarmists. We drove through the warm, *humid zona cafetera, with shiny* coffee plants growing in the shade of banana trees, up the Central Cordillera to a pass at 3,100 meters, in fog, wind and cold. From the pass down to the Magdalena valley, we followed La Linea, a 30-kilometer portion of the main thoroughfare for trucks traveling between the Pacific coast and Bogota. Its hairpin turns are punctuated by small white crosses: They commemorate the accidental deaths of the men and boys who fly down the road at breakneck speed on jerry-built wagons trying to make a poor living by standing guard next to an overturned truck or bringing a jerrican of gasoline to a negligent driver.

The southern part of the Magdalena valley has long been the stage for the battle between guerrillas and the shadowy paramilitaries, but its villages were all dusty sleepiness when we drove through. The landscape is breathtaking: grazing pastures dotted with zebus, blue mountains in the distance closing in on you, and the lazy ocher flow of the Magdalena narrowing to tumultuous waters as we got closer to its source.

Discovered in the late 1750s, but first scientifically explored only just before World War I, the San Agustin area *contains a treasure of fascinating and* baffling sculptures. About 500 statues have been excavated so far at three sites. They are now sprinkled around on close-cropped grass, a surprising feature in this land of luxuriant vegetation. The area was declared a World Heritage *Site by Unesco in 1995. Little is yet* known about the culture that created — and buried — the enigmatic monolithic statues. It is estimated, with carbon dating, that the San Agustinians started their development in the sixth or seventh century B.C. and that the statuary's golden age took place several centuries before the Spanish Conquest.

Artificial mounds and esplanades sheltered the sarcophaguses of Agustinian leaders, and the tombs were guarded by *anthropomorphic* and zoomorphic statues. The human statues — male and female — often bear an *aggressive expression, with grimacing,* jaguar teeth. Explorers have associated them with "chamans," the religious figures who were said to transform themselves into felines.

The village of San Agustin is a cluster of low white houses and cavernous *tiendas*, or stores, at street level. Mule-drawn carts ferry cartons of eggs piled high, bunches of green bananas and whole families; noisy buses spit their smelly black exhaust fumes right in your face and music blasts out from everywhere.

MORE THAN ARCHAEOLOGY

In San Agustin, we met our first tourists: Cheap food and lodgings can be a greater lure than archaeology. Indeed, it was hard to spend more than $5 or $6 for the menu of soup, beans, rice, meat and fried plantains that is served for lunch and dinner and seems to be the ubiquitous trademark of rural Colombia's gastronomy. We stayed at the Central Hotel, with monastic rooms opening on a disorderly but flowery patio. A room for two with private, cold shower cost $8. The hostess kindly provided the implements for a hot shower: an old paint bucket filled with warm water and a blue plastic bowl to scoop it over your body. There was no additional charge.

MOVIE GUIDE

J'IRAI AU PARADIS CAR L'ENFER EST ICI
Directed by Xavier Durringer. France.
They hug and kiss at family reunions, but kill at a cross word. They are goodfellas, French style, with their macho jokes, sentimental bonding rituals and cruel orgies. Francois (Arnaud Giovaninetti), angelic looks, is the son of a severe and terrible godfather (Daniel Duval) and part of the life until he looses his buddies, one by one, and learns that there is no honor among thieves. He falls in love with Claire (Claire Keim), who tries to steer him toward redemption and good works. *Xavier Durringer, who wrote the script* with the ex-convict Jean Miez, may well have been inspired by Martin Scorsese, but he comes up with something original in his excavation of a barren, ugly underworld. Each short scene is set like a right to the jaw; brutal faces are shot close up, mouths spewing tough talk. Miez is also a force in the part of an aging thug, a father figure to wayward kids. Duval as the bad father is a study in aridity; Gerald Laroche as a schizoid who has not a gram of feeling for human life, *including his own, is blood-curdling good,* but baby-faced Giovaninetti seems to lack the stuff of heroes. Most of the movie is, if bumpy going, convincing, except when we get to the redemption, for Durringer has based young Francois' adventures on Francis of Assisi, the saint who gave up his father's fortune to devote himself to the poor. During the last half hour, the director loses his momentum — would that his intentions had been less good. *(Joan Dupont, IHT)*

David Appleby

Brad Pitt in a scene from Jean-Jacques Annaud's "Seven Years in Tibet."

SEVEN YEARS IN TIBET
Directed by Jean-Jacques Annaud. U.S.
On the topic of "Seven Years in Tibet," which marks Brad Pitt's latest movie, accent and hairdo, let's get to the political stuff. Ultimately, it's the only thing that matters in this fanciful account of the Austrian mountaineer and Nazi party member Heinrich Harrer. Late in the story, which takes Harrer to Tibet in the latter stages of World War II, Mao Zedong's troops invade the mountainous *nation with unequivocal* and unprovoked brutality. There is nothing fictional about this 1949 invasion, or China's subsequent rape and desecration of the culture, its Buddhist beliefs and its people, which continues today. In 1939, leaving his pregnant wife behind, the arrogant, self-obsessed Harrer decides to conquer Nanga Parbat, one of the Himalayas' tallest peaks. Accompanied by fellow Austrian Peter Aufschnaiter (David Thewlis), he immediately runs into setbacks: an injured ankle, an avalanche and — after World War II breaks out — capture by the British in northern India. After several botched escape attempts, Harrer and Aufschnaiter finally break free. Dressed in rags, they head toward Lhasa, the holy city of the Dalai Lama. As Harrer trudges ever nearer to his meeting with the 14-year-old Dalai Lama (played by delightful Bhutanese actor Jamyang Jamtsho Wangchuk), he mopes about the son, Rolf, whom he has never seen. Pitt, whose attempts to sound Irish in "The Devil's Own" ought to be used to cheer up terminal patients, dives headlong into the goofy accent abyss *again. Imagine a California beach bum* trying to sound Teutonic. You'd be able to forget this if the movie allowed you to lose yourself in the story. But this happens irregularly. Screenwriter Becky Johnston and director Jean-Jacques Annaud (who made "The Name of the Rose" and "The Bear") get lost in the dull snows of an overblown would-be epic. And apart from some passing references *at the beginning, the film all but* glosses over Harrer's association with the Nazis. *(Desson Howe, WP)*

THE LOCUSTS
Directed by John Patrick Kelley. U.S.
In the late 1960s, Clay Hewitt (Vince Vaughn), a handsome drifter, gets work on a cattle ranch in Kansas. While there, he starts an affair with the local beauty, Kitty (Ashley Judd), gets into fights with ranch bully Joel (Daniel Meyer) and liberates the soul of Flyboy (Jeremy Davies), the emotionally withdrawn son of ranch owner Delilah Ashford Potts (Kate Capshaw). But Clay meets opposition from Delilah, who has her reasons for keeping Flyboy a quivering wreck. Delilah, a laughable vamp who lingers in the shadows, stalks cowhands and has no problems gelding her bulls, is one of the movie's more ridiculous elements. "The Locusts" also suffers irreparably from a lazily imagined conclusion, full of cheap pop-psychological clichés. But this psychodrama about sexuality, secrets, torment, desire and spiritual captivity, is too good in other places to dismiss. Paced like a languid dream, it collects detail with an unhurried but deeply engrossing air. *(Desson Howe, WP)*

GANG RELATED
Directed by Jim Kouf. U.S.
"Gang Related" — Tupac Shakur's last film — may have story problems, but it has no problems in the performance department. As with "Gridlock'd" — Shakur's other posthumous film — Jim Kouf's "Gang Related" shows the performer's fragile but powerful charisma, rare in this era of beefy supermen. He plays a conscience-haunted L.A. homicide detective named Rodriguez who, *with his comically brutal partner*, Divinci (Jim Belushi), have hit on a neat scam. They set up dope dealers, sell them heroin, then murder them, keeping both heroin and money. Things go wrong when one of their victims turns out to be not a drug dealer, but an undercover DEA agent. *This leads to a lively — if* not entirely new — premise: the cops in charge of catching themselves. They *choose a homeless alcoholic as their fall* guy and he turns out to be more than easy prey. Shakur is superb, and so is Belushi. As a kind of glowering Bozo whose very sleaze is seductive and whose efficiency is attractive, Divinci drifts off, almost banally, into the most repellent of all evils, the criminal sociopath masquerading under the flag of authority and using the system to hide his tracks. Finally, the film makes a nice point about law, order and society: When in an excess of moral indignation and superiority we turn to vigilantism, chaos is never far behind. *(Stephen Hunter, WP)*

ARTS GUIDE

BRITAIN

LONDON
Hayward Gallery, tel: (171) 928-3144, open daily. **Continuing/** To Jan. 4: "Objects of Desire: The Modern *Still Life*." Traces the evolving language of modern art through still lifes.
National Gallery, tel: (171) 747-2885, open daily. To Jan. 18: "Hogarth's 'Marriage A-la-Mode.'" Six paintings that form a narrative sequence about money, folly, disease and death. The exhibition also features 20 engravings and six other paintings.
Tate Gallery, tel: (171) 887-8000, open daily. To Jan. 4: "The Age of Rossetti, Burne-Jones and Watts: Symbolism in Britain, 1860-1910." *The works of Rossetti, Burne-*Jones and Aubrey Beardsley are displayed alongside paintings by their European contemporaries, Odilon Redon, Gustave Moreau, Fernand Khnopff and others. The exhibition will travel to Munich and Amsterdam. Also, to Nov. 30: "Mondrian: Nature to Abstraction." More than 80 works tracing the artist's evolution from his early atmospheric paintings to full abstraction in the 1920s.

CANADA

TORONTO
Art Gallery of Ontario, tel: (416) 977-0414, closed Mondays and *Tuesdays. To Jan. 18: "Keith Har*ing." Keith Haring was pre-eminent among a group of young artists who emerged when punk, New Wave music and graffiti were background and source for art in New York in the 1980s. The retrospective explores Haring's work and details his concern with social issues, such as racism, AIDS and the media.

FRANCE

PARIS
Galeries Nationales du Grand Palais, tel: 01-44-13-17-17, closed Tuesdays. To Jan. 5: "Les Iberes." Contemporary of the *Phenicians and the Greeks, the* Iberian civilization developed on the western side of the Mediterranean from the 6th to the 1st century B.C. *The exhibition features* sculptures, ceramics, gold jewelry, silver plates and bronze ex-votos. Also, to Jan. 26: "Georges de La Tour, 1593-1652." A survey of the French painter's works.
Louvre, tel: 01-40-20-51-51, closed Tuesdays. To Jan. 5: "Graveurs en Taille-Douce des Anciens Pays-Bas, XVe-XVIe Siecles." Woodcuts and copper engravings appeared in Europe early in the 15th century, shortly before Gutenberg. The exhibition features 110 engravings by Flemish masters, including works by Lucas van Leyden (1494-1533).
Mona Bismarck Foundation, tel: 01-47-23-38-88, closed Mondays and Tuesdays. To Nov. 29: "Artistes Americains en France, 1947-1997." Works by 40 American artists who are living, or lived, in France. Paintings by Joan Mitchell and Sam Francis, photographs by Bob Bishop, and sculptures by Otto Fried are among the exhibits.

GERMANY

BONN
Kunst- und Ausstellungshalle der Bundesrepublick Deutschland, tel: (228) 9171-200, closed Mondays. To Jan. 11: "Masterpieces of Six Centuries." A selection of works from the *Kunsthalle in* Bremen, including more than 140 paintings and sculptures, and more than 200 copper engravings. It features Dutch paintings of the 17th century, oil sketches of the 19th century and a glimpse into the work of modern media artists such as Nam June Paik.

GREECE

ATHENS
Megaron, The Athens Concert Hall, tel: (1) 72.82.000, open daily. To Nov. 7: "El Greco in Greece." Five icons by Domenico Theotokopoulos, better known as El Greco (1541-1614). Also features post-Byzantine icons from the 15th to 19th centuries.

Spencer's "Self-Portrait" in Washington exhibition.

ITALY

VENICE
Palazzo Grassi, tel: (41) 522-1375, open daily. **Continuing/** To Jan. 11: "Expressionismo Tedesco: Arte e Societa, 1909-1923." *German Expressionists in*cluding Beckmann, Dix, Grosz, Kokoschka, Kirchner, Pechstein and Schmidt-Rottluf.

LUXEMBOURG

Musee National d'Histoire et d'Art, tel: (352) 47-93-301, closed Mondays. To Dec. 15: "Tresors d'Ukraine." On loan from a Kiev museum, a collection of gold and silver pieces, dating back to the Cimmerian, Scythian and Sarmatian civilizations several centuries before Christ. Also features jewelry, weapons and religious items from Ukrainian Orthodox churches, and 18th- and 19th-century Judaica.

NETHERLANDS

AMSTERDAM
Van Gogh Museum, tel: tel: (20) 570-5252, open daily. To Jan. 11: "Auguste Preault: 1809-1879." A comprehensive survey of the works of the Romantic sculptor of the 1830s and '40s. His work includes funeral sculptures, portraits and medallions.

ROTTERDAM
Kunsthal, tel: (10) 44-00-321, closed Mondays. To Jan. 18: "The School of The Hague: A Retrospective." More than 300 Dutch paintings by the manne painter Mesdag (1831-1915). Joseph Israels (1824-1911), known as the "Dutch Millet" and Anton Mauve (1838-1888), among others. *Themes favored by the 19th-cen*tury artists who worked around The Hague, were realistic portraits of peasants and fishermen, as well as *landscapes and interiors.*

SPAIN

BARCELONA
Museu d'Art Contemporani, tel: (93) 412-08-10, closed Mondays. To Jan. 6: "The Last Gaze — Self-Portraits From Bonnard to Bacon." Fifteen self-portraits by Picasso, Matisse, Bacon and Beckmann.

BILBAO
Guggenheim Museum Bilbao, tel: (4) 435-9000, closed Mondays. Opening Oct. 18: "The Guggenheim Museums and the Art of This Century." The inaugural exhibition in the new museum designed by *American architect Frank O. Gehry* surveys 20th-century art, from the two-dimensional Cubist innovations to recent experiments with *media-based technologies.* Features works by Chagall, Kandinsky, Matisse and Picasso; American Abstract Expressionists and art of the four past decades, with examples of Pop Art, Minimalism, Arte Povera and Conceptual Art.

UNITED STATES

WASHINGTON
Hirshhorn Museum, tel: (202) 357-2700, open daily. To Jan. 11: "Stanley Spencer: An English Vision." More than 60 paintings by Sir Stanley Spencer (1891-1959). The artist is represented by biblical and allegorical paintings, nudes, portraits, domestic scenes and land*scapes. The exhibition will travel to* Mexico City and San Francisco.

CLOSING SOON

Oct. 19: "Gold und Silber aus Mexico." **Kunsthistorisches Museum, Vienna.**
Oct. 19: "Cesar: Retrospective." **Jeu de Paume, Paris.**
Oct. 19: "Sigmar Polke: Die Drei Lugen der Malerei (The Three Lies of Painting)." **Kunst- und Ausstellungshalle der Bundesrepublik Deutschland, Bonn.**
Oct. 19: "Carl Faberge: Goldsmith to the Czars." **Nationalmuseum, Stockholm.**
Oct. 19: "Treasures from Tervuren." **National Museum of African Art, Washington.**
Oct. 20: "Des Modernes aux Avant-Gardes." **Musee d'Art Moderne et d'Art Contamporain, Nice, France.**

CROSSWORD

ACROSS
1 Lacking significance
7 Deep Blue specialty
12 Laments loudly
15 Successor of Nikita
16 Ice cream flavor
17 It may have a berth in Perth
18 Pump
19 Brighton
21 Returns *letters*
22 Cutlet?
24 Daniello's darling
25 — — Britth
26 The Fair Maid of Kent and namesakes
28 Robert Morse tour de force
29 Dirt-court game
30 Rad
32 Art lovers
34 Garbed
36 Increase dramatically
37 Wolverines' rivals
41 Ahead
45 — —-midr
46 A.M.A. members
48 Burt Reynolds film
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52 Losers at Vicksburg
53 *Prog. Cons.* opponent, in Canada
54 Turn bad
56 Diminutive *suffix*
57 Exclamation of exhaustion
58 Fussy dress
61 Handles
62 U.S. air-to-air *missiles*
63 User interface
64 Actress Madeleine et al.

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2 A going-over
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4 *Final:* Abbr.
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6 Body of values
7 Thank the singer
8 Party member?
9 Gone
10 Yachting event
11 Mama's boys
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14 Field
15 Here, in Honduras
20 Builder's framework
23 *Found fault with*
25 1899-1902 event
27 Company division
29 Hemp
31 It breaks in the *morning*
33 Unduly
35 "Women Ironing" artist
37 Belief in false gods
38 Operating periods
39 Found fault with
40 Lampoons
42 Was *humiliated*
43 "Class" star
44 Lorax creator
47 Impolite sound
50 Sunday-meeting link
51 Classical waltz
54 Saturday night specials
55 Offended
58 "— — Beso" (Paul Anka song)
60 Back

Solution to Puzzle of Oct. 16

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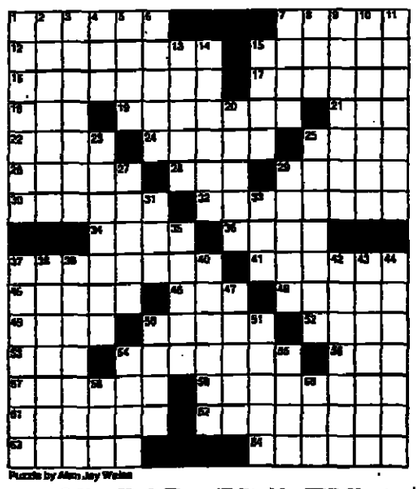

Puzzle by Allan Jay Weiss

© New York Times/Edited by Will Shortz.

OPERA SEASON

Productions at some of the world's major opera houses this season.

AMSTERDAM
Het Muziektheater, De Nederlandse Opera, tel: (20) 625-5455. The new productions of the season include "Das Rheingold"; Poulenc's "Dialogue des Carmelites," directed by Robert Carsen with Joan Rodgers; "Die Walkure" and "Siegfried" under Hartmut Haenchen's baton, and "Tosca," conducted by Riccardo Chailly *with Catherine Malfitano in the title* role.

BRUSSELS
La Monnaie/De Munt, tel: (32) 2-229-12-11. The season opens with a new production of "Otello," conducted by Antonio Pappano. Other new productions include Bartok's "Bluebeard's Castle"; Monteverdi's "Il Ritorno d'Ulisse" and "*L'Orfeo*"; *and* Britten's "Turn of the Screw." The orchestra and choir perform at the Teatro Real in Madrid in November.

BUENOS AIRES
Teatro Colon, tel: 1-35-66-32. Before the season ends in December, the Argentine composer Gerardo Gandini conducts his own "La Ciudad Ausente." Mark Ermler conducts "Eugene Onegin," with Dmitri Hvorostovsky singing Onegin and Adrianne Pieczonka, Tatiana.

FLORENCE
Teatro Comunale, tel: (39) 277-9303. During the winter season, Alexander Anissimov conducts Rimsky-Korsakov's "The Tsar's Bride." It is followed by Puccini's "La Fanciulla del West," and Monteverdi's "Orfeo."

MADRID
Teatro Real, tel: (34) 1-558-8787. After ten years of renovation, the Royal Opera reopens with Luis Antonio Garcia Navarro as musical and artistic director. The season is launched with Manuel de Falla's "El Sombrero de Tres Picos" and "La Vida Breve." Performances of Britten's "Peter Grimes," "Porgy and Bess," "Le Nozze di Figaro," "Turandot," "Un Ballo in Maschera," Janacek's "Cunning Little Vixen," and "L'Elisir d'Amore." Guest conductors include Antonio Pappano and Vladimir Jurowski. The roster of singers features Placido Domingo in Anton Garcia Abril's "Divinas Palabras," Willard White, Carlos Chausson, and Juan Pons.

NEW YORK
Metropolitan Opera, tel: (212) 362-60-00. Valeri Gergiev has been appointed principal guest conductor of the Metropolitan Opera. During the 30-week season, the Opera presents Met premieres of Rossini's "La Cenerentola" and Strauss's "Capriccio" and new productions of "The Rake's Progress," conducted by James Levine; "Samson et Dalila," with Waltraud Meier, and "Lohengrin," directed by Robert Wilson, with Levine conducting, Deborah Voigt as Elsa and Ben Heppner as Lohengrin.

PARIS
Opera Comique, tel: 01-42-44-45-46. The season offers two operettas: Johann Strauss's "Eine Nacht in Venedig" and Christine's "Dédé." Also on the program, Cavalli's "La Didone," Viktor Ullmann's "Der Kaiser von Atlantis" and Mozart's first opera, "La Finta Semplice"; Debussy's "Pelleas et *Melisande*," Bellini's "La Sonnambula," Ermanno Wolf-Ferrari's "I Quatro Rusteghi," based on a Goldoni play, and "La Boheme." The season also includes the world premiere of the French composer Garciane Finzi's "La Mort de Socrate."

WASHINGTON
Washington Opera at the John F. Kennedy Center tel: (202) 416-7800. Under artistic director Placido Domingo, the Washington Opera offers eight productions, five of which are new. The curtain rises on "Pagliaci," directed by Franco Zeffirelli, conducted by Leonard Slatkin, with Domingo in the clown's role. Also on the program, "Romeo et Juliette," "L'Elisir d'Amore," "The Magic Flute," "Don Giovanni," Puccini's "La Rondine," Amadeo Vives's zarzuela "Dona Francisquita," *and* "The Dangerous Liaisons," a new American opera by Conrad Susa, directed by Colin Graham, with Federica von Stade.

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INTERNATIONAL

Lauding Its Peacekeeping, Clinton Offers Special Ally Status to Argentina

Compiled by Our Staff From Dispatches

BUENOS AIRES — Fifteen years after the Falklands war was set off by Argentine military leaders trying to preserve dictatorial power at home, President Bill Clinton said Thursday he would seek special non-NATO ally status for Argentina to honor its role as a peacekeeper.

"As close to home as Guatemala and Haiti, as far away as Bosnia, Cyprus and Mozambique, Argentina has answered the call to peace," Mr. Clinton said.

The move represented a big step forward for Argentina, which 15 years ago was mired in conflict with the West after trying unsuccessfully to end British control of the Falkland Islands, off the Argentine coast.

Before a monument honoring General Jose de San Martin, the Argentine liberator, Mr. Clinton said he had already notified Congress of plans to give Argentina special standing as a non-NATO military ally. While largely a symbolic gesture, the designation would give Argentina access to surplus NATO hardware and facilitate congressional approval for it to buy U.S. weapons.

The designation, to the consternation of some if its South American neighbors, would also make Argentina eligible for economic development programs and other assistance, ranking the nation alongside Israel, Egypt, Japan, South Korea and Jordan. Congress can object within 30 days.

"Our alliance and values go beyond our efforts against threats to peace and security, but it begins there," Mr. Clinton said.

Borrowing the words of the Argentine hero — "All progress is the child of time" — he added that General San Martin would be proud to see his nation champion peace. "He would remind us of the work still undone, the challenges still unmet. He would urge us to press on to make progress the child of this time," Mr. Clinton said.

President Carlos Saul Menem said General San Martin's legacy lives in the Argentine troops who have gone to the world's hot spots for the cause of peace. "When we pay tribute to our liberator," he said, "we are at the same time paying tribute to these men who are working in the world to further peace."

Argentina, which has taken part in more than 12 UN peacekeeping missions over the past decade, is the first nation to win special ally status from the United States since the end of the Cold War.

Argentina has been seeking to reassure its partners in the Mercosur trade bloc — Brazil, Uruguay, Paraguay, Chile and Bolivia — that it will not have an advantage over them. "This will not only not affect relations with Mercosur, but rather will boost them," Defense Minister Jorge Dominguez said this week.

But both Chile and Brazil are suspicious. Foreign Minister Jose Miguel Insulza of Chile said recently, "What worries us are decisions that can alter the balance and introduce suspicions in the region."

The U.S. secretary of state, Madeleine Albright, has said that other Latin American countries, such as Chile, may be granted similar status.

But opposition parties in Argentina predicted that regional tensions would rise if Argentina got such status ahead of its neighbors. "This new link with the United States is not necessary and can complicate relations with third countries," said Antonio Villalba, a legislator of the center-left Frepaso coalition.

A former Brazilian president, Jose Sarney, accused the United Sates of undermining regional stability and Mercosur. He said the move had "serious implications" and sowed the "seed of division and mistrust."

Mr. Clinton voiced support for Mr. Menem, who abandoned his populist rhetoric against the United States after becoming president in 1989 and is now a staunch promoter of U.S. investment in the region.

But Mr. Menem's Peronist party faces midterm elections in two weeks and could lose its majority. While praising Mr. Menem's style, Mr. Clinton also planned to meet with opposition leaders to show neutrality in the elections.

(AP, Reuters)

Papon Is Evicted Again, This Time From a House Rented Near French Trial

By Anne Swardson
Washington Post Service

PARIS — Maurice Papon, a high-level prefectoral official in the collaborationist Vichy government who is on trial in Bordeaux for crimes against humanity, was asked Thursday to leave his third residence since the trial began last week.

The judge in the case freed him from detention Friday on grounds that remaining in prison would damage his health.

Since then, Mr. Papon, 87, and his entourage have tried two luxury hotels and a four-bedroom rental house. He was asked to leave the hotels because they were receiving threatening telephone calls.

On Thursday, the family that owns the house asked him to vacate for the same reason: Members were receiving death threats at their home in Paris.

The town council of Castres-Gironde, the Bordeaux suburb close to the residence he had rented, passed a resolution Wednesday "deploring" Mr. Papon's presence, which it called a "dishonor" for the community and its members.

The first witnesses were heard Thursday. Mr. Papon is accused of signing deportation orders for 1,690 Jews, most of whom were sent to German concentration camps.

Pierre Messmer, a former prime minister and a leader in the French Resistance, rebuked Mr. Papon on Thursday, saying in his testimony, "Many members of the prefectoral administration should have resigned when acts which went against their conscience were ordered."

He said, however, that it was time for French citizens to begin forgiving themselves for Vichy's actions during the war. Some 76,000 Jews were deported from France in all; about 2,500 returned.

■ Anger Over Testimony

Mr. Papon stirred a firestorm of criticism for saying in court that he had tried to help Jews, Agence France-Presse reported from Bordeaux.

French Jews especially were angered by his assertion Wednesday that he continued to mourn Jews whose deportation orders he signed and that he had risked his life to help many.

He also provoked a denial from a Jewish official who Mr. Papon said had congratulated him for actions to help Jews. Mr. Papon said that between 1947 and 1949 he performed a secret mission and that later he was congratulated by Israeli officials, including a former ambassador, Walter Eytan.

Mr. Eytan, now retired in Israel, denied that. "I have absolutely no memory of having congratulated him in the name of the Israeli government," he said.

Speaking of the "catastrophic and unhappy lot of the Jewish community," Mr. Papon also said Wednesday that his "heart was torn by the Nazi repression of the Jews."

"It is infamy to say I was heartless about the calamities that befell the Jewish community," he said.

But Simone Veil, a former French government minister who survived the death camp at Auschwitz, said: "Maurice Papon has no regrets."

She also expressed outrage at the court's decision to free Mr. Papon, saying it was like "spit in the face."

"It was like being back in the years when I felt no one had understood, that in reality all that had no importance," she said.

DEAL: *Odd Bidding for MCI*

Continued from Page 1

To win this battle, GTE may have to sweeten the price or convince a lot of MCI shareholders that WorldCom stock is funny money not worth its current price. This could become very nasty.

The latest developments come on the heels of the first two offers for MCI. First, British Telecommunications PLC agreed to pay $35.34 a share in cash and stock. Not expecting other bidders, and under pressure from British shareholders who thought MCI was overvalued, British Telecom cut that price by a couple of dollars a share, valuing its bid at around $18 billion. MCI went along, but the new bids appear to have left British Telecom out of the running.

In evaluating the GTE and WorldCom bids, the important issue for investors is one of stock versus cash. Any individual investor can, of course, readily convert the WorldCom shares into cash. Such a holder presumably would not be interested in the GTE offer because the investor can sell the WorldCom shares and get cash greater than GTE's all-cash offer.

Moreover, if that individual investor likes WorldCom stock, he could hold it and would not have to pay capital-gains taxes on the profit from the transaction.

But this deal is so huge — the WorldCom offer values MCI at $30 billion — that most MCI investors could not sell their WorldCom stock without putting heavy pressure on the price of those shares. MCI holders would end up owning 45 percent of the outstanding WorldCom shares.

So what it comes down to is this: Is WorldCom a good long-term investment? Are its shares fairly priced? If they are overpriced, then most MCI shareholders are likely to be disappointed in the long term.

To hear much of Wall Street tell it, WorldCom is a great investment, ready to benefit from all kinds of things that will happen, from international deregulation to the rapid growth of the Internet.

It certainly has been an excellent performer in the stock market. A little more than five years ago, you would have paid less than $1 for a share of WorldCom, then known as LDDS Communications, that now costs more than $35. The company has grown rapidly through acquisitions.

But the share price growth has far outstepped the company's earnings. Its anticipated earnings for 1997 come to 37 cents a share, according to IBES International Inc., which tallies consensus earnings estimates from brokerage firms. MCI, on the other hand, is expected to earn $1.13 a share.

If a shareholder of MCI exchanges a share for the WorldCom stock being offered, the investor would be exchanging a claim on that $1.13 a share for stock in WorldCom with a claim on 38 cents to 45 cents of profits, depending on the exchange ratio ultimately used.

If WorldCom does make the deal, its earnings per share would zip up, simply because MCI's profit would be spread over existing WorldCom shares as well as the new ones to be issued in the acquisition. And Wall Street analysts who have been pushing WorldCom could point to the growing earnings to vindicate their bullishness.

There have been Wall Street favorites in the past whose high values turned out to be justified, but many proved to be overvalued. If WorldCom turns out to be overvalued, then MCI shareholders might rue the day they took its offer over GTE's. But that could easily happen if GTE cannot damage WorldCom's standing with investors.

In late New York trading, WorldCom share prices were down 43.75 cents at $35, GTE fell $2.8125 to $45.1875, but MCI climbed 1.0625 to $37.9375.

TAPES: *Batch of Videos Details Extent of Campaign Cash Pursuit*

Continued from Page 1

Clinton's. As the president is casually leaning on his desk, Mr. Riady has his arm around Mr. Huang. Little can be heard of the conversation, although Mr. Clinton at one point is heard to say "important issues," and at another time, "I think it will be big."

The tape contains two abrupt breaks, but White House aides said the tape had not been edited. Rather, they said, the breaks were the result of a cameraman starting and stopping the taping. The tape is to be analyzed by technical experts retained by Congress.

White House officials assured reporters assembled to watch the latest video release that the tapes contain nothing incriminating. "These events, all of them, including those in the White House, confirm what we have always said," Lanny Davis, a White House special counsel, said Wednesday in introducing the tapes. "These events were legal and appropriate."

Attorney General Janet Reno, questioned about the tapes during testimony Wednesday on Capitol Hill, said she had seen nothing in them to alter her preliminary opinion that the White House fund-raising events violated no law.

Mr. Davis said that previous presidents entertained donors in similar ways and similar settings, and there is much evidence to support his assertion. But the Clinton money operation has been captured on tape in vastly greater volume than that of any of his predecessors.

At a Democratic National Committee dinner in May 1996 in Washington, Mr. Clinton acknowledges the presence of Mr. Trie, who produced hundreds of thousands of dollars in donations from Asian-American sources.

"It's been almost 20 years since I had my first meal with Charlie Trie," the president says on tape No. 6. "At the time, neither of us could have afforded a ticket to this dinner." Such affairs typically cost donors $10,000 a head.

CONGO: *Sassou-Nguesso Gloats Over Return to Brazzaville*

Continued from Page 1

his fondness for luxury, General Sassou-Nguesso is reported to have dipped deeply into receipts paid to his government by the French oil company Elf Aquitaine, which, despite his regime's "anti-imperialist" rhetoric, has always dominated the oil production in Africa's fourth-largest producer of crude.

Despite overseeing a huge increase in oil production, General Sassou-Nguesso's years in power, marked by runaway borrowing and high-level corruption, proved ruinous for his country. By 1990, his country was bankrupt.

Under pressure from trade unions and other opponents to open the political system, General Sassou-Nguesso agreed in 1991 to the convening of a "national conference," a reform-minded deliberative gathering of leading citizens that stripped him of most of his power and organized national elections.

Having been disavowed by the population, General Sassou-Nguesso, a northerner, threw his support to a coalition backing Mr. Lissouba, a southerner and former prime minister who won the presidency in the country's first democratic election in 1992.

It is widely understood that Mr. Lissouba, 65, had promised General Sassou-Nguesso and his supporters a substantial place in his government in exchange for his support. The new president, however, quickly cut ties to his erstwhile ally, and Western diplomats say General Sassou-Nguesso has been plotting his revenge ever since.

If General Sassou-Nguesso felt betrayed by Mr. Lissouba, it would nonetheless be hard for him to portray himself as a victim in a game of national politics that has been consistently characterized by treachery.

While a colonel in charge of state security, General Sassou-Nguesso became a leading figure in Congolese politics in the mid-1970s. At the time, he was considered an ideological hard-liner who was close to the country's first military leader, a young Marxist paratrooper named Marien Ngouabi.

Commander Ngouabi was mysteriously murdered in 1977, shortly after large oil exports began to flow. Although General Sassou-Nguesso always has denied any responsibility, it is still widely suspected that he helped plan the assassination. Mr. Lissouba was also implicated in the killing.

Once President Ngouabi was killed, General Sassou-Nguesso set about eliminating other potential rivals in his push for the presidency.

When Mr. Lissouba was elected president in 1992, it quickly became clear that he intended to hold onto power. Relations with France were quickly strained when Mr. Lissouba negotiated a $150 million oil deal with the American company Occidental Petroleum, threatening to break Paris's lock on the country's economy.

So with help from Israel instead, the new leader began forming a presidential militia, the Aubervillois, that was drawn from southern ethnic groups.

Sensing that Mr. Lissouba wanted to eliminate him, General Sassou-Nguesso, formed a northern militia of his own, known as the Cobras. He then reportedly used his large private fortune and help from France and Gabon, the neighbor to the north, whose president, Omar Bongo, is married to his daughter, to arm and maintain his force.

The feared showdown came this summer when an increasingly unpopular Mr. Lissouba refused to allow electoral reforms that would help ensure a fair vote and moved, in June, to arrest his rival.

"The mistake of Lissouba was to have let Sassou get away in June," a Western diplomat said. "Congolese politics have never been very forgiving, and having lost power once already, this guy is playing for keeps."

ALBANIA: *Italy Slams the Door on a Post-Cold War Migration*

Continued from Page 1

"Life is too dangerous to hope for a future in my country," said Mr. Muhameti, a former police officer and bodyguard. "I see people who have made a lot of money leaving for good. I am a poor man. Why shouldn't I get out too?"

About 40,000 Albanians stormed ashore in Italy in two mass landings in mid-1991, followed by 17,000 in March, when Albania exploded in rebellion and banditry after thousands lost their life's savings in investment schemes.

Most of the migrants are drawn to undocumented work as dishwashers, maids, construction workers and tomato pickers at the bottom of the world's fifth-richest economy.

The Italian authorities say Albanians have been smuggling hashish, cocaine and assault weapons and setting up prostitution and theft rings in scattered cities. One prosecutor estimated that 100 Albanians entered Italy illegally each night during the summer and about 40 percent were involved in criminal activity.

On the pier where the Illyria docks in Italy is a plaque from the United Nations to the generous citizens of Brindisi. It was nailed there in 1991 when Albanians, spilling through the port by the thousands, could find bread, tea and hot food in nearly every doorway.

The compassion is gone now. After an Italian-led Multinational Protection Force returned from Albania this year, having restored a semblance of order, Prime Minister Romano Prodi's government ordered more than 10,000 refugees who were given temporary entry permits last spring to go home by November.

Mayors across Italy, alarmed by a summer wave of crimes by immigrants, demanded and got the emergency police sweeps now being directed from Rome.

Parliament began debating a bill to deport clandestini, bringing Italian border controls into line with those of stricter neighbors in an increasingly harmonized Western Europe. The bill would allow quotas for legal immigrants from Albania and other specified countries — a system used by the United States and in much of Europe, but not yet in Italy.

No other wealthy industrialized nation besides Japan has as few immigrants per native as Italy. Conspicuous by their darker complexions and distinct language, Albanians are often taunted on the street with demands to "go home." One Italian mayor branded the newcomers, many of whom are Islamic, as "ugly, dirty and ferocious by nature."

Mr. Muhameti had no illusion of a warm welcome when he swam ashore from a drug trafficking boat one September dawn. He split from the other migrants and hiked 16 hours down back roads to the Brindisi rail station. He made it to Pisa, hoping to be sheltered by an Albanian friend there. But the friend rebuffed him. Fearful and alone, Mr. Muhameti wandered the streets until he found another Albanian, who agreed to share his lodgings in an abandoned boxcar.

A reversal of the migration is expected to take years. Albania's new elected government is starting to gain control of highways from armed gangs. And many cities, like Durres, where the Illyria calls, have calmed down some.

And, for now, tighter controls on both sides have cut the movement of refugees. The speedboat runs from Albania have diminished in recent weeks because of the higher risk of getting caught, an Albanian involved in the trafficking said. "Of course, there are still those determined enough to swim against the tide."

SANCTIONS: *Gazprom Is a Test*

Continued from Page 1

quickly becomes enmeshed, he added, in "our broader relationship with our European allies, the Russian government and the government of Malaysia," to say nothing of the impact on Wall Street.

The origins of the diplomatic morass are relatively simple.

When Conoco Inc. tried to invest in an Iranian oil field two years ago, the Clinton administration stepped in, issuing an order barring American companies from major investments in Iran as long as Tehran sponsored terrorism and was attempting to acquire nuclear weapons.

Then the French company Total SA swept in and signed the deal Conoco was forced to abandon.

The outrage in Congress over Total's action led to the passage last year of the Iran and Libya sanctions act. Like the Helms-Burton act, which is aimed at companies investing in Cuba, the Iran law laid out sanctions that the president can impose against foreign firms that invest more than $20 million in Iran's oil and gas industries, its main source of revenue.

They range from minor punishments — cutting off low-cost loans through the government's Export-Import Bank — to far nastier sanctions, including cutting off American bank loans exceeding $10 million, in an effort to make sure that companies flouting the investment ban in Iran do not raise their funds in America. Until now, the law has not been tested.

But two weeks ago, Total announced that it was teaming up with Gazprom and Malaysia's state-owned oil firm, Petronas, in the $2 billion gas project in Iran.

It was an important step: Iran's proven gas reserves represent about 15 percent of the world's total, second only to Russia's. "Clearly, this is a big test for us," a senior administration official said. "If Total and its partners get away with it, every non-American energy firm on the globe is going to race in after them."

The administration's reaction was deliberately muted. Mr. Eizenstat — fully aware of the explosive nature of any sanctions threat in Europe — said the State Department would take time to "gather all the facts" on the gas deal.

Others hinted that sanctions might be waived if France and the other countries made other commitments to fight Iranian terrorism. A team of experts was sent to Paris, Moscow and Kuala Lumpur.

Meanwhile the Iranians declared that the gas field will earn them $450 billion over the next 30 years, and said that the contract with Total, the lead partner, went into effect Oct. 7.

The State Department's caution is understandable, but the $1 billion debt deal seems likely to force its hand. The transaction is Gazprom's first venture into the world's capital markets with a major bond issue, though it has sold its stock on markets around the world and borrowed from Western banks.

Goldman, Sachs says the $1 billion it is raising is for "general purposes," chiefly a major pipeline project already under way in Russia. But clearly, any cash the company can raise frees up money it can invest in Iran.

While Goldman, Sachs will say nothing publicly about the debt offering, a company official said that "this is a very important deal for us" and that Goldman's lawyers believe that the bond offering does not violate the Iran-Libya sanctions act, which makes no specific mention of debt offerings. "We are assuming it is not going to be an issue," the official said.

■ State Department Investigates

The State Department said Thursday that it was investigating whether the bond offering may be subject to sanctions under the Iran-Libya act, Reuters reported from Washington. "On the question of underwriting, our lawyers right now are looking at the issue" of whether the offering violates the law, a deputy spokesman said.

ESPIONAGE: *Under Legal Pressure, CIA Divulges Its Biggest Secret – Cost of Spying*

Continued from Page 1

formation Act brought by the Federation of American Scientists, which focuses on science in public policy.

Mr. Tenet said the disclosure "does not jeopardize" security and "serves to inform the American people."

That was the precise position argued by the opponents of secrecy who sued for disclosure of the sum. To defend the agency against the lawsuit, Mr. Tenet would have had to submit a sworn affidavit saying that disclosure would seriously damage national security.

That was "something that would be difficult to say" under oath, said the agency spokesman, Bill Harlow.

Kate Martin, the lawyer who filed the suit, said: "Now we can begin to have some real democratic debate on the size of the intelligence budget. The CIA's refusal to disclose the figure did not protect the national security. It shut citizens out of the debate about the usefulness and future of the CIA."

Ms. Martin directs the Center for National Security Studies, a civil liberties group concerned with security issues.

Secret spending by the Pentagon dates back at least to the Manhattan Project, which developed the atomic bomb from 1941 to 1945 with $2.19 billion in covertly appropriated money, and the wartime Office of Strategic Services, which spent unaccounted millions.

With the creation of the CIA in 1947, secret spending was approved by Congress. A few powerful committee chairmen kept an eye on intelligence accounts as they grew to contain billions in the 1950s and 1960s. They rose to about $36 billion in 1987 from about $12 billion a year in 1977.

Since the mid-1980s, the Federation of American Scientists has tried to track that secret spending by carefully studying the Pentagon's budget, where intelligence programs and secret weapons projects are hidden, like the Manhattan Project, in falsely labeled accounts.

Its estimates were fairly accurate, as an accidental disclosure of $26.7 billion in military and intelligence programs by a congressional subcommittee showed in 1994.

Citizens' challenges to secret spending by the government date back to February 1967, when William Richardson, an insurance claims adjuster in Greensburg, Pennsylvania, picked up his newspaper and read one of the first investigative articles ever published about the CIA. Mr. Richardson, a military intelligence veteran, read that the agency was secretly financing trade unions, student groups and publishers.

"It kind of floored me," he said in a 1989 interview. "I thought the American taxpayer, if he believed in the constitution, didn't want his money spent to fight political wars in this country."

Mr. Richardson wrote to the Treasury, asking for a copy of the CIA budget. Rebuffed, he sued in U.S. District Court. Rejected, he appealed.

On July 20, 1972, the 3d U.S. Circuit Court of Appeals said Mr. Richardson had the right "to know how his tax money is spent."

On June 25, 1974, before the Supreme Court, Mr. Richardson lost, 5-4.

The court said he had no standing to sue the government.

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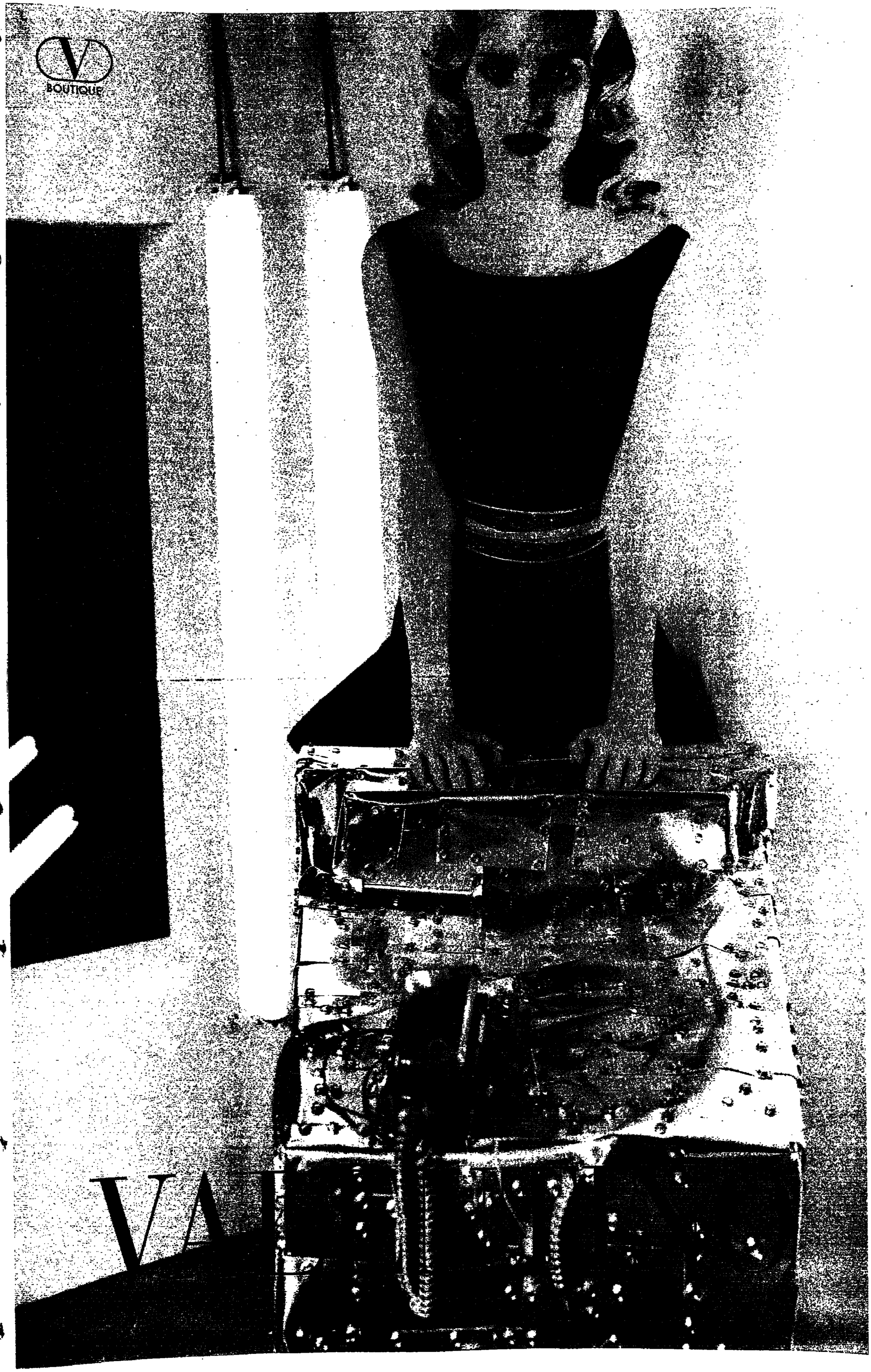

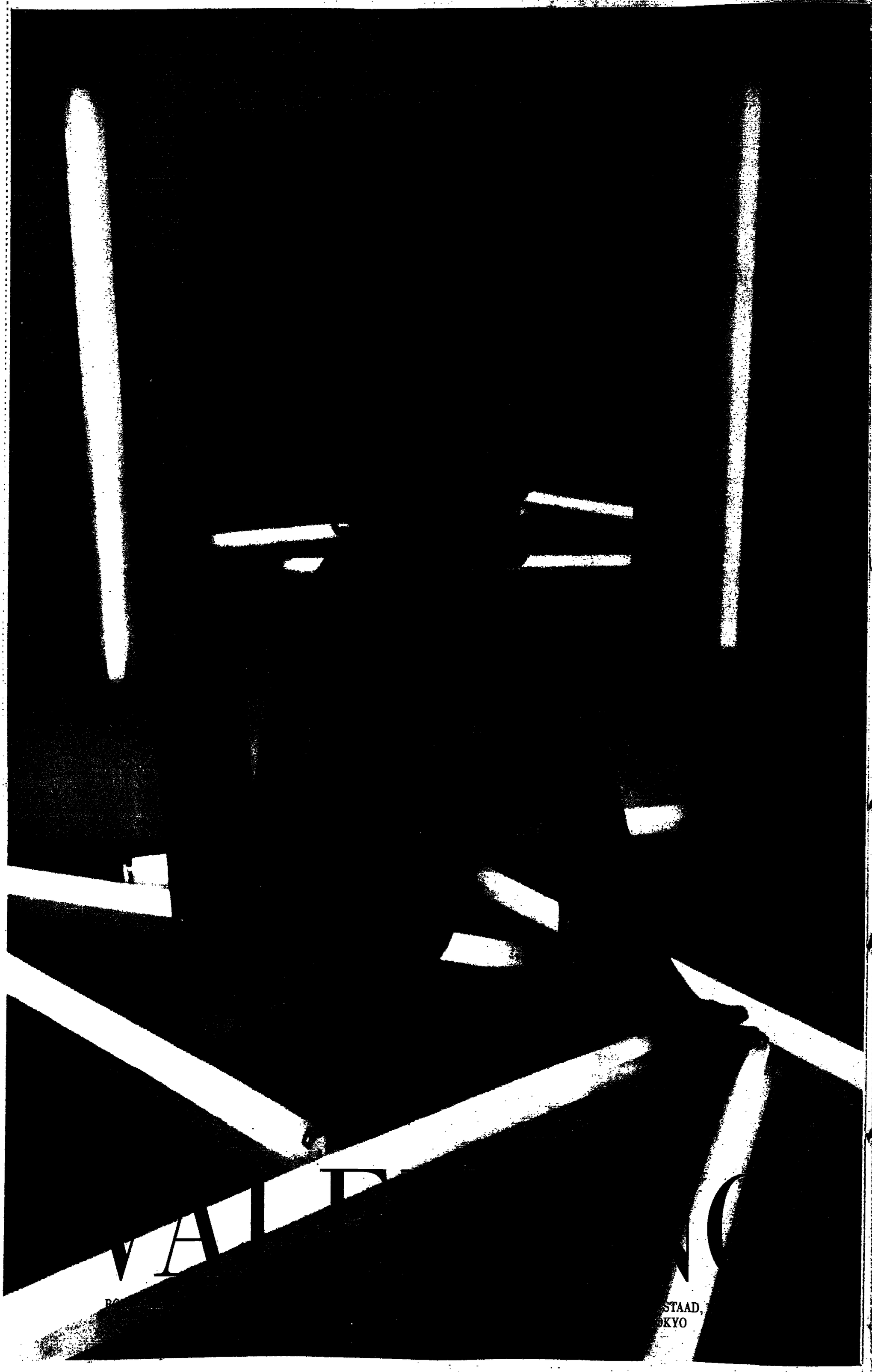
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NYSE

Thursday's 4 P.M. Close

The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press.

A-B-C

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
38⅞	24⅛	AAR	.48	1.4	24	177	35¾	35⅜	35⅝	-⅛
24⅝	18⅛	ABN Am s	.56e	2.8	...	1363	20⅛	19⅝	20⅛	-⅛
101⅝	51½	ACE Ltd	.88	.9	13	627	97⅝	96	97½	+1½
11	9⅝	ACMIn	.90a	8.3	...	402	10⅞	10¾	10⅞	+⅛
8¼	6⅝	ACM Op	.63	7.9	...	838	8	7⅞	7⅞	...
10¼	8⅞	ACM Sc	.90	8.9	...	1310	10⅛	10	10⅛	-⅛
7	6¼	ACMSp	.57	8.8	...	1025	6½	6⅜	6½	+⅛
15	11½	ACMMD	1.35	9.2	...	445	14⅝	14⅝	14⅝	-⅛
10½	9¼	ACM MI	.90	8.9	...	142	10⅛	10⅛	10⅛	-⅛
14¼	12¼	ACMMu	.90	6.4	...	148	14	14	14	...
24⅝	14	ACNiels	...	...	32	1805	23½	21⅞	22¼	+⅝
27⅞	16¼	ACX Tech	...	...	72	133	26⅝	26⅜	26⅝	+⅛
49¼	20¼	AES Cp s	...	...	48	1464	45⅝	45⅜	45⅝	-⅛
73½	48	AES pfT	2.69	3.8	...	255	70⅝	70⅛	70⅝	+⅛
57½	35¼	AFLAC	.46	.9	18	2162	53⅝	51⅝	51⅝	-1⅛
36⅛	23⅝	AGCO	.04	.1	13	2045	32⅝	32¼	32½	+⅛
22	18¼	AGL Res	1.08	5.8	13	1124	18⅞	18⅛	18¾	-⅛
25⅛	25	AICI pfT	2.25	8.9	...	81	25⅛	25⅛	25⅛	-⅛
19⅝	13¼	AJL	1.44	8.6	...	137	16⅞	16⅝	16¾	-⅛
48⅛	24¼	AK Steel	1.00f	2.3	9	1095	44⅝	42¾	43⅛	-1⅛
24⅞	20⅝	AMLI Rs	1.72	7.3	19	168	23⅝	23⅛	23⅝	+⅛
122¼	78¼	AMR	...	...	12	5482	120⅛	117⅛	117⅞	-1⅜
32⅝	18	APL Ltd	.40	1.2	34	9984	33	32⅝	33	+⅛
16	9½	APT Sat n	...	...	...	255	14⅛	13¾	14⅛	...
50⅝	40⅞	ARCOCh	2.80	5.6	20	123	50⅝	50⅝	50⅝	-⅛
41	28⅛	ASA Ltd	1.20	4.0	...	907	30¼	29⅝	30	+⅛
47⅞	30⅛	AT&T	1.32	3.0	15	59002	45⅛	43¾	43¾	-1⅛
39⅝	18¼	AVX Cp	.24	.7	22	3012	34⅜	31⅝	32⅝	-1⅛
35⅛	28¼	AXA UAP	.45p	...	...	205	34⅝	34⅛	34⅝	+⅛
35⅛	10⅛	Aames s	.13	.8	9	2732	16⅞	16⅛	16⅜	...
68⅝	49⅝	AbtLab	1.08	1.7	24	8198	64⅛	63⅜	63⅝	+⅛
28	12½	AberFitch	...	...	41	410	24	22⅞	23⅝	-⅛
21	12⅛	Abitibi g	.40	...	...	415	17⅛	16⅝	16¾	-⅛
28⅛	17⅛	AcpIns	...	...	14	93	28⅝	28	28⅝	-⅛
32	15⅛	AccuStff	...	...	36	3641	30⅝	30	30⅛	-⅛
10⅛	6⅛	AcmeE	...	...	...	291	7⅞	7⅛	7⅞	...
29⅛	17⅜	Acuson	...	...	78	493	27⅝	26⅛	26⅝	+⅛
25½	19½	AdaEx	1.72e	6.8	...	417	25⅝	25⅛	25⅛	-⅛
26⅛	13⅛	Admiasf n	...	...	...	102	24⅝	24⅛	24⅝	+⅛
48½	16⅛	AMD	...	...	...	17515	27⅞	26⅞	26¾	-⅛
27⅛	9	Advest	.12	.5	19	169	26	25⅝	26	+⅛
20⅝	11	Advolnc	...	...	20	2022	20⅛	20⅝	20⅝	+⅛
87⅛	51½	Aegon	1.52e	1.8	30	425	85	84	84⅝	-1⅛
11⅛	3⅛	Aeroflex	...	...	34	5649	11	11⅛	11⅛	+⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 18

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Herald INTERNATIONAL Tribune
BUSINESS/FINANCE
R
FRIDAY, OCTOBER 17, 1997

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U.S. Bans Japan Ships

Cargo Vessels to Be Seized in Port Dispute

The Associated Press

WASHINGTON — In a major escalation of a tense trade dispute between the United States and Japan, the U.S. Maritime Commission ordered the Coast Guard on Thursday to bar Japanese cargo ships from U.S. ports and told the Customs Service to detain any Japanese ship in an American port.

The commission, an independent agency, acted after receiving word from Japanese shipping companies that they do not plan to pay an estimated $4 million in fines levied by the United States.

The fines were imposed after negotiators between the two countries were unable to reach agreement on American demands for freer access to Japanese harbors.

Bruce Dombrowski, an attorney at the Maritime Commission, said the orders to the Coast Guard and the Customs Service were being prepared. He said the agencies would not begin carrying out the orders until they are formally received, either late Thursday or Friday.

President Bill Clinton could have used his national security powers to block the order from taking effect, but an administration official, speaking on condition he not be identified, said Mr. Clinton would not do so.

The sanctions, which amount to $100,000 per vessel, were levied on Japanese cargo ships entering U.S. ports beginning Sept. 4.

However, the three major Japanese shipping companies involved had until Wednesday to actually pay the fines. Mr. Dombrowski said the commission acted after receiving word from the shipping lines they did not intend to pay.

Sulzberger Steps Down For Son at The Times

Compiled by Our Staff From Dispatches

NEW YORK — Arthur Ochs Sulzberger is stepping down as chairman and chief executive of The New York Times Co. after 24 years at its helm, to be replaced as chairman by his son, the company said Thursday.

Arthur Sulzberger Jr., 46, will remain publisher of the company's flagship newspaper in addition to his new post.

"Today's announcement is the culmination of a transition period that the board set in motion several years ago," the elder Mr. Sulzberger, 71, said in a statement. "I am proud to turn over the company to Arthur and a new generation of leadership."

The company also announced that Russell Lewis, company president, will add the title of chief executive and report to the new chairman. Michael Golden, vice president, was named vice chairman and a board member.

The changes came on the day that The Times displayed color photographs on its front page for the first time. Also on Thursday, it posted third-quarter profits higher than Wall Street's expectations.

The new color is part of a revamping of the newspaper under the direction of the younger Mr. Sulzberger.

His father will assume the title of chairman emeritus and remain on the company's board. He also remains co-chairman of the board of the International Herald Tribune, which is owned by The New York Times Co. and The Washington Post Co.

The elder Mr. Sulzberger served as chairman since 1973, overseeing an expansion that included purchasing The Boston Globe and adding regional newspapers, magazines, and television and radio stations.

Since 1963, when he first became publisher of The Times, the company's revenue rose from $101 million to $2.6 billion last year.

The younger Mr. Sulzberger has been publisher of The Times since 1992. He went to the paper in 1978 as a Washington correspondent and has held several news and business positions. *(AP, Bloomberg)*

The New York Times

Hal Rosenbluth, the chairman of Rosenbluth International who turned his great-grandfather's small company into a corporate travel giant.

An Agency With Focus

Rosenbluth Courts Corporate Travelers

By Edwin McDowell
New York Times Service

PHILADELPHIA — When Rosenbluth International opened an office in Atlanta 12 years ago, it heralded its arrival with a billboard proclaiming, "Rosenbluth has landed!"

"We landed all right — with a thud," said Hal Rosenbluth, 45, chairman of the travel-services company. "As far as I know, nobody in Atlanta knew or cared what Rosenbluth was."

Not many Atlantans know even today, nor many Philadelphians, for that matter, though Rosenbluth has been here for more than a century.

Indeed, Rosenbluth is the travel agency the public has not heard of — and that has turned out to be just fine. Faced with yawns in the streets of Atlanta and elsewhere, the company redoubled its efforts in the nation's executive suites.

Putting together one of the most high-tech reservation and pricing systems in the industry, the company worked hard to attract corporate customers with promises of big savings and smooth service. The effort has paid off: Still relatively obscure, Rosenbluth, which is privately held, is thriving as a travel agent to big business — with clients like Du Pont Co., Wal-Mart Stores Inc., Nike Inc. and Chevron Corp.

See TRAVEL, Page 16

EU Again Checking Microsoft's Practices

Compiled by Our Staff From Dispatches

BRUSSELS — The European Union is again investigating trade practices of Microsoft Corp., the U.S. software giant, a European Commission official said Thursday.

The commission is evaluating the software maker's response to a statement of objections in a case involving licensing rights, said the official, who asked not to be named.

The commission will hold hearings this year so Microsoft and other companies can express their views, the official said.

The moves by the EU's executive branch follow long investigations by the U.S. government of assertions of anti-competitive practices by Microsoft, the world's largest maker of software for personal computers.

They also follow investigations of Microsoft business practices by the European Commission in the early 1990s.

"It's parallel to what is being done in the U.S." said Karel van Miert, the EU competition commissioner, who was attending an international antitrust law conference in New York. The companies lodging the complaints are mainly European, though some are American, he said.

At its headquarters in Redmond, Washington, Microsoft was not available for comment.

It is the world's largest developer, maker and supplier of personal computer software. Its MS-DOS and Windows operating systems are used in more than 120 million personal computers.

In 1990, the U.S. Federal Trade Commission looked into alleged unfair business practices. The Justice Department took over the case in 1993, and the next year negotiated a consent agreement with Microsoft, settling charges that the company used unfair licensing terms for its software, stifling competition.

At about that time, the European Commission settled a similar investigation of Microsoft on substantially the same terms.

Microsoft was forced to end some disputed practices, such as making manufacturers of personal computers pay it a fee for every machine they sold, regardless of whether it contained Microsoft software.

In 1995, Microsoft scrapped its proposed $2.1 billion acquisition of Intuit Inc. rather than fight a Justice Department antitrust lawsuit.

EU officials said the complaints against Microsoft did not touch on its purchase of a minority stake in Apple Computer.

The Justice Department is examining that venture as well as Microsoft's practices in Internet software generally.

It also is examining three investments in the infant market for video technology on the World Wide Web.

Microsoft's shares closed down $1.75 at $134 on the Nasdaq stock market.

A group known as the Committee to Fight Microsoft petitioned the Justice Department in August to block Microsoft's investment in Apple.

The group contends that the two companies are direct competitors because Apple's Macintosh operating system is the only rival to Microsoft systems. *(AP, Bloomberg)*

Swiss Insurer Accepts Deal

The Associated Press

ZURICH — Switzerland's biggest insurance company has agreed in principle to merge with the financial services division of the British tobacco company BAT Industries PLC, the companies said Thursday.

Zurich Insurance Co. and BAT said the resulting company would be one of the world's largest insurance and asset management groups.

The company, to be known as Zurich Financial Services Group, or ZF Group, will be based in Zurich. It will be owned through a dual holding structure, with current Zurich shareholders owning 55 percent and BAT shareholders owning 45 percent.

The remaining part of the British company will be independent and listed separately as British American Tobacco.

Thinking Ahead /Commentary

On Worrying All the Way to the Bank

By Reginald Dale
International Herald Tribune

WASHINGTON — Here is an intriguing question that is asked increasingly often in Washington: If Americans are doing so well economically, why are they so worried?

The answer is of interest not just to American politicians and economists, but to all those around the world who wonder how far their countries should adopt the free-market American model.

What is the use of making big sacrifices to imitate America if Americans themselves are dissatisfied with their lot? Why, in other words, should Europeans give up their cushy welfare states, and Latin Americans open their borders, if peace of mind is not to be the reward?

The U.S. model has, at least for now, delivered the world's most competitive economy, a booming stock market, spectacular corporate profits, low inflation and virtually full employment.

But numerous opinion surveys show a puzzling conflict between Americans' recognition of their good fortune and mounting anxiety — an undercurrent of gloom that Bob Dole, the Republican candidate, tried and failed to tap in last year's presidential election.

Most people say they are satisfied with their financial situation and feel they are fairly compensated for their work. But many of the same people say they lack confidence in their financial future, fear losing their jobs and generally lead more stressful lives than before.

Some people have inevitably jumped to the conclusion that economic globalization must be to blame. If Americans were worried about increasing competition from abroad, it might help to explain why President Bill Clinton's request last month for new "fast-track" trade negotiating authority is in such trouble on Capitol Hill.

But that does not appear to be so. Opposition to "fast-track" comes from a narrow group of labor and environmental activists, not from the general public, which remains as disinclined as ever to make trade a major political issue.

Some of America's current anxiety is not economic at all, but reflects the belief that moral and family values are declining, according to Karlyn Bowman, a polling expert at the American Enterprise Institute. It is true that some of the economic anxiety is exaggerated.

Times of rapid change breed nostalgia for a past that seems in memory better than it was, and many Americans simply do not know how well the economy is doing — just as they are unaware that crime is falling.

The recent outcry over corporate "downsizing" was one-sided — it did not take job creation into account. And the polls suggest that most people do not mind the extravagant remuneration of top business executives, despite some commentators' efforts to stir up resentment.

Some worries, on the other hand, are clearly reasonable. Research among factory workers has revealed great anxiety over low wages and the workers' own lack of skills.

It is obvious that technological innovation is eliminating entire categories of jobs and leaving some people behind.

In some ways such worry is good. It is driving people to stay longer in school and seek other forms of training.

The rules of supply and demand suggest that at some stage there will be a shortage of unskilled workers, who will then be paid more.

Alan Greenspan, chairman of the Federal Reserve Board, has suggested that economic insecurity is actually one of the reasons for continuing low inflation, because it discourages workers from pressing too hard for big pay increases.

The counterpart of insecurity is opportunity. According to a poll by Money magazine, nearly one-third of Americans now believe that if they lost their jobs they could find another at least as good in a month or less, a huge jump from last year's 18 percent. It is hard to imagine one-third of Europeans — or Latin Americans — saying that.

CURRENCY & INTEREST RATES

Cross Rates

Oct. 16

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.965	3.1845	1.1267	0.336	0.1156*	—	5.4625*	1.3519	1.6389*	1.416	1.3355*
Brussels	36.00	58.29	20.63	6.1525	2.1083*	18.315	—	24.7275	0.30	25.945	24.445*
Frankfurt	1.7466	2.8289	—	0.2980	0.1023*	0.8876	4.8478*	1.1907	1.4642*	1.2593	1.185*
London (a)	1.4284	—	2.5265	9.4808	2,764.32	3.1861	58.3648	2.3572	194.3994	2.2492	238.515
Madrid	147.486	238.603	84.374	25.167	8.63*	74.889	4.0903	101.191	122.711*	106.384	—
Milan	1,708.20	2,763.80	978.05	291.70	—	868.78	47.365	1,171.55	14.195	1,229.75	11.597
New York (b)	—	1.61770	1.7465	5.8556	1,708.00	1.9675	34.83	1.4555	119.47	1.387	147.546
Paris	5.8807	9.4835	3.3525	—	0.3429*	2.9757	8.1625	4.0207	4.8758*	4.2228	3.972*
Tokyo	120.95	196.39	69.27	20.67	0.709	61.50	3.3597	83.00	—	87.30	0.8216
Toronto	1.3867	2.2451	0.7948	0.237	0.0813*	0.7065	0.3853*	0.9524	1.1579*	—	0.942*
Zurich	1.4568	2.3578	0.8338	0.2487	0.0852*	0.7491	4.0413*	—	1.212*	1.0586	0.9881*
1 ECU	1.1241	0.6948	1.9649	6.5872	1,930.59	2.2137	40.5388	1.6383	135.109	1.5596	165.832
1 SDR	1.3725	0.8482	2.4003	N.Q.	2,346.90	2.7803	49.4859	2.0035	166.884	1.8972	202.419

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers: New York rates at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound. b: To buy one dollar. *Units of 100; N.Q.: not quoted; N.A.: not available.*

Libid-Libor Rates

Oct. 16

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/2 - 5 5/8	3 7/16 - 3 9/16	1 9/16 - 1 11/16	6 15/16 - 7 1/16	3 7/16 - 3 1/2	3/8 - 1/2	4 9/16 - 4 11/16
3-month	5 1/2 - 5 5/8	3 1/2 - 3 5/8	1 7/8 - 2	7 1/16 - 7 3/16	3 1/2 - 3 5/8	7/16 - 1/2	4 7/16 - 4 9/16
6-month	5 13/16 - 6	3 9/16 - 3 11/16	1 15/16 - 2 1/16	7 1/16 - 7 5/16	3 5/8 - 3 11/16	7/16 - 1/2	4 1/2 - 4 5/8
1-year	5 15/16 - 6	4 1/8 - 4 1/4	2 3/16 - 2 5/16	7 1/4 - 7 3/8	4 1/16 - 4 3/16	1/2 - 5/8	4 1/2 - 4 5/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 1/2	5 11/16
90-day CDs dealers	5.66	5.65
180-day CP dealers	5.52	5.52
3-month Treasury bill	4.91	4.91
1-year Treasury bill	5.21	5.21
2-year Treasury bill	5.81	5.82
5-year Treasury note	6.00	5.99
7-year Treasury note	6.04	6.04
10-year Treasury note	6.09	6.10
30-year Treasury bond	6.39	6.39
Merrill Lynch 30-day RA	5.09	5.09
Japan		
Discount rate	0.50	0.50
Call money	0.42	0.40
1-month interbank	0.46	0.46
3-month interbank	0.47	0.47
6-month interbank	0.50	0.50
10-year Govt bond	2.01	1.99
Germany		
Lombard rate	4.50	4.50
Call money	3.45	3.45
1-month interbank	3.52	3.45
3-month interbank	3.70	3.65
6-month interbank	3.85	3.75
10-year Bund	5.65	5.61

Britain		
Bank base rate	7.00	7.00
Call money	7 1/8	7 1/8
1-month interbank	7 1/8	7 1/8
3-month interbank	7 1/4	7 1/4
6-month interbank	7 3/8	7 3/8
10-year Gilt	6.51	6.46
France		
Intervention rate	3.30	3.30
Call money	3 1/8	3 1/8
1-month interbank	3 7/16	3 7/16
3-month interbank	3 9/16	3 9/16
6-month interbank	3 3/4	3 11/16
10-year OAT	5.68	5.63

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	n.a.	327.00	+ 0.15
London	327.30	327.35	+ 0.85
New York	328.20	326.80	— 1.30

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices: New York Comex (Dec.)
Source: Reuters.

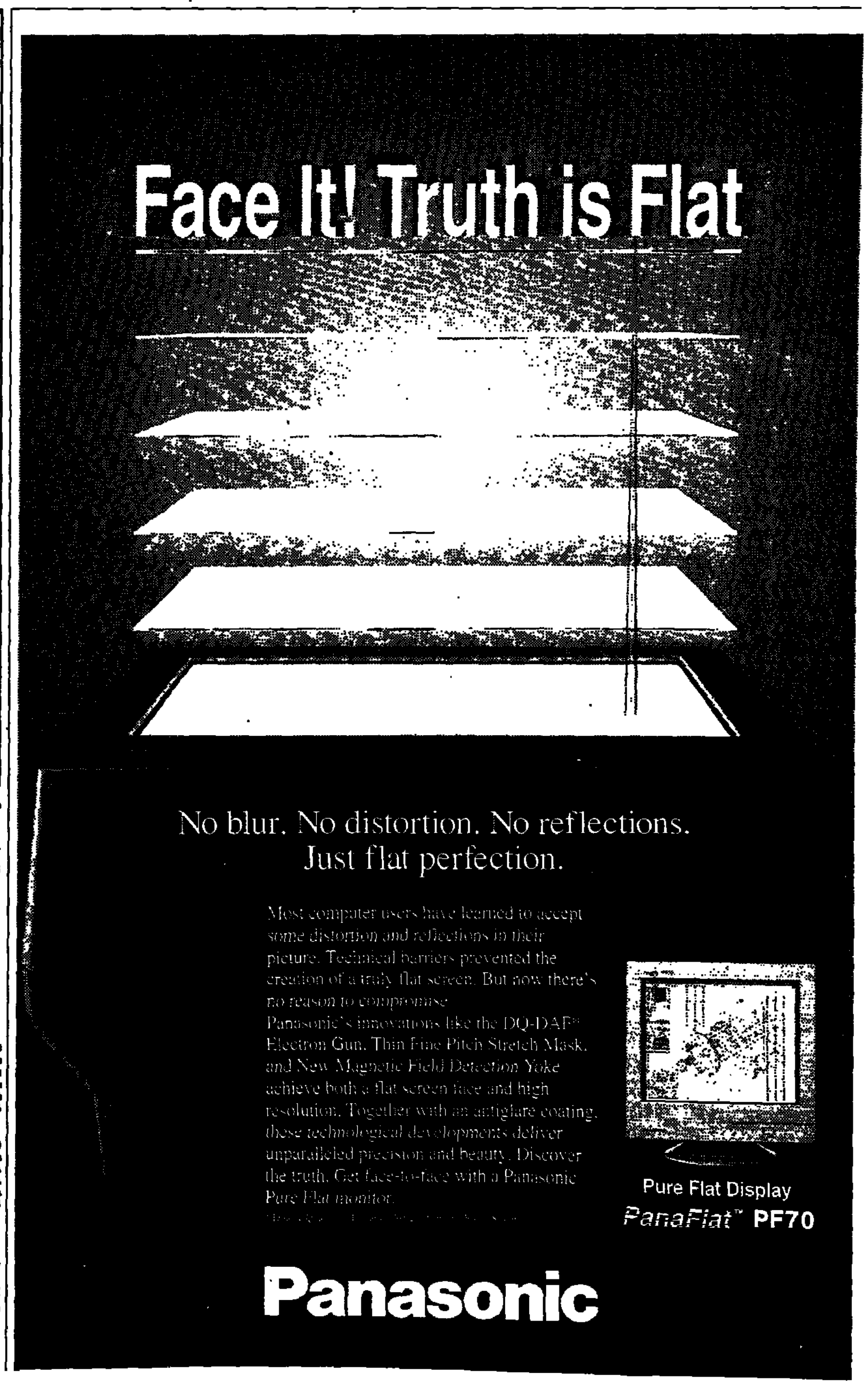
Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	274.95	Mex. peso	7.719	S. Afr. rand	4.683
Australian $	1.3576	Hong Kong $	7.7378	N. Zealand $	1.5513	S. Kor. won	914.80
Austrian sch.	12.294	Hung. forint	194.98	Norw. krone	7.0442	Swed. krona	7.5773
Brazil real	1.0991	Indian rupee	36.21	Phil. peso	33.95	Taiwan $	28.52
Chinese yuan	8.3139	Indo. rupiah	3575.0	Polish zloty	3.39	Thai baht	37.00
Czech koruna	32.72	Irish £	0.6808	Port. escudo	178.00	Turkish lira	177800
Danish krone	6.6563	Israeli shek.	3.5255	Russ ruble	5877.0	UAE dirham	3.672
Egypt. pound	3.40	Kuw. dinar	0.3015	Saudi riyal	3.75	Venez. boliv.	497.00
Fin. markka	5.2435	Malay. ring.	3.1727	Sing. $	1.549		

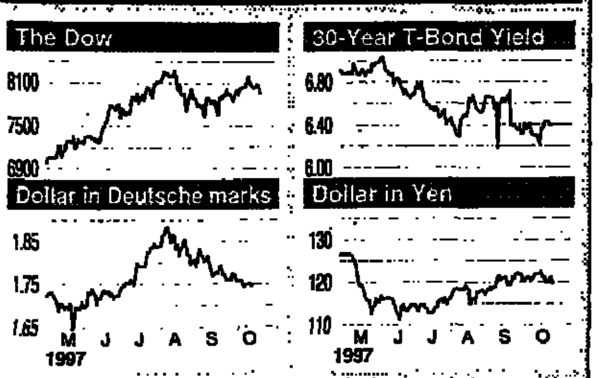
Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6158	1.6136	1.6118	Japanese yen	119.64	119.09	118.56
Canadian dollar	1.3837	1.3815	1.3790	Swiss franc	1.4543	1.4522	1.4504
Deutsche mark	1.7442	1.7409	1.7381				

Sources: ING Bank (Amsterdam); Cera Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).



Investor's America



Exchange	Index	Thursday @ 4 P.M.	Prev. Close	% Change
NYSE	The Dow	7938.88	8057.98	-1.48
NYSE	S&P 500	955.25	965.72	-1.08
NYSE	S&P 100	914.24	925.65	-1.23
NYSE	Composite	502.30	506.89	-0.91
U.S.	Nasdaq Composite	1699.66	1723.30	-1.37
AMEX	Market Value	708.38	714.34	-0.83
Toronto	TSE Index	7090.36	7130.60	-0.57
São Paulo	Bovespa	12578.18	12830.40	-1.97
Mexico City	Bolsa	5347.87	5347.06	+0.02
Buenos Aires	Merval	828.34	832.85	-0.54
Santiago	IPSA General	5257.14	5272.47	-0.29
Caracas	Capital General	10620.90	10574.77	+0.44

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

• **LIN Television Corp.** said it was negotiating with an unidentified company that had made a takeover offer topping the $1.71 billion bid by **Hicks, Muse, Tate & Furst Inc.** Following the announcement, LIN's shares rose $3.8125 to $50.375 in late trading in New York.

• **BTR PLC** has agreed to buy Exide Electronics Group Inc. of North Carolina for $585 million in cash and assumed debt as it continues its growth in the market for equipment that prevents interruptions in electrical supplies during power outages.

• **Raytheon Co.**'s third-quarter net profit rose 12 percent, to $211.2 million, on sales of $3.45 billion, up 14 percent from the third quarter of 1996. But since the third quarter profit report last year included a large one-time write-off, the defense contractor's net profit in the quarter this year rose only slightly.

• **Sun Microsystems Inc.** is seeking $35 million damages in its lawsuit against **Microsoft Corp.**, accusing Microsoft of hijacking a key Sun software technology. Sun, which licenses its Java programming language to Microsoft, posted its demands on its Web site: http://www.sun.com.

• **Excite Inc.** has agreed to buy **Netbot Inc.**, which makes software for finding and buying products on the Internet, for $35 million in stock. *Bloomberg, Reuters, AP*

ITT Industries Cutting 1,900 Jobs

Bloomberg News

WHITE PLAINS, New York — ITT Industries Inc. said Thursday it would eliminate 1,900 jobs, or 3 percent of its work force, and take a $145.8 million charge in the third quarter, as it seeks to increase its auto parts profits.

Before the $1.20-a-share charge, the manufacturer of anti-lock braking systems and military communications systems had a profit of $54.7 million, or 45 cents a share, up 25 percent from $43.7 million, or 36 cents a share, a year earlier.

Market Loses Heart Over Weak Earnings

Compiled by Our Staff From Dispatches

NEW YORK — Stocks fell Thursday, with the Dow Jones industrial average falling more than 100 points after Merck's third-quarter profit fell short of estimates and Sears, Roebuck issued a gloomy forecast about its future earnings.

The Dow finished down 119.10 points at 7,938.88. Declining issues *outpaced gainers by a 9-to-5 ratio on* the New York Stock Exchange.

Investors are concerned that the fuel for higher share prices — robust profit growth — is being siphoned away as more companies warn that earnings may not grow as fast as previously expected.

"U.S. stock investors are falling out of love," said J. Thomas Madden, chief investment officer at Federated Investors in Pittsburgh. "If their confidence is shaken in any significant way, they're cutting their position quickly."

Sears finished down 5⅜ at 48½ after warning that increasing consumer credit delinquencies were *likely to dent its earnings during the* holiday shopping period.

U.S. STOCKS

The second-largest U.S. retailer's stock was battered despite reporting a 26 percent increase in quarterly net profit, to $353 million.

Merck finished down 4 9/16 at 97 11/16 after reporting a 19 percent increase in profit, to $1.2 billion. Analysts were expecting more.

"Merck has a lot of big blockbuster drugs like Zocor that are coming under attack," said Carl Seiden, an analyst at J.P. Morgan Securities Inc.

"They're defending themselves on so many fronts against so many good well-heeled competitors," he added.

Merck and Sears together accounted for a quarter of the drop in the Dow.

Coca-Cola lost 7/16 to 59⅜ after reporting a 5 percent increase in profit, to $1.01 billion, as sales rose 6 percent, to $4.95 billion.

"Any sign of a disappointment in earnings these days and investors sell the stock down," said Daniel Eagan, a money manager at Provident Capital Management in Philadelphia.

The earnings jitters overshadowed any optimism generated by a tame inflation reading.

The government said consumer prices rose a smaller-than-expected 0.2 percent in September.

Still, some investors remain wary that robust economic growth and a strong jobs market will eventually quicken inflation, prompting the Federal Reserve Board to raise borrowing costs again.

"The market is vulnerable," said Jim Somers at Martindale Andres & Co. "We're going to get smacked by surprise inflation numbers, and it's just a question of when."

The price of the benchmark 30-year Treasury bond finished up 1/32 point, at 99 24/32, leaving the yield steady at 6.39 percent. *(Bloomberg, AP)*

Profit Up 42%, Compaq to Pay First Dividend

Compiled by Our Staff From Dispatches

HOUSTON — Compaq Computer Corp. said Thursday that its third-quarter earnings had surged 42 percent on solid sales growth and wider profit margins, as it announced another stock split and said it would pay the first cash dividend in its history.

The chief executive, Eckhard Pfeiffer, said Compaq also expected "a strong fourth-quarter performance, with a healthy outlook for 1998."

The 2-for-1 stock split follows a 5-for-2 split only three months ago, as Compaq's share price more than doubled since April. The world's biggest personal computer maker said it decided to begin paying a dividend to give shareholders some of its growing pile of cash — $6 billion at the end of the quarter.

Compaq earned $517 million, up from $365 million a year ago. The results were held back by a $44 million charge for the acquisition of Tandem Computers.

Revenue rose 31 percent to $6.47 billion from $4.95 billion.

Compaq shares closed down $4.0625 at $73.1875 because its earnings trailed the most aggressive estimates.

Among other technology companies reporting earnings, Digital Equipment Corp. reported a $25 million profit for the quarter, reversing last year's loss with help from stronger sales of computers based on Intel Corp. chips.

Digital's loss in the July-September quarter of 1996 was $66 million.

Digital, which is in a patent fight with Intel, said sales of its server computers using its rival's chips rose more than 140 percent in the quarter. Sales of computers based on Digital's own Alpha chip were up nearly 30 percent. Its shares fell $1.50 to $48.875.

Late Wednesday, Apple Computer Inc. posted a loss of $161 million for the July-September period, its fiscal fourth quarter. Apple earned $25 million a year earlier.

The loss was wider than expected, and Apple shares fell Thursday to $21.50, down $2.3125.

Revenue fell 30 percent to $1.6 billion from $2.3 billion. It is during the fourth quarter that Apple normally makes the bulk of its sales to schools.

"For them to be down during the quarter is quite telling. This is supposed to be their big quarter," said Kevin Hanse, an analyst with International Data Corp. in Mountain View, California. *(Bloomberg, AP)*

TRAVEL: *Focusing on High-Tech Corporate Bookings, Rosenbluth Rides High*

Continued from Page 15

Rosenbluth's corporate focus and cutting-edge technology have paid off in another way as well. The company has managed to ride above the changes roiling other agencies, including reduced airline commissions and an increasing number of travelers who book through the Internet.

From a handful of offices in Philadelphia 20 years ago, Rosenbluth is now in 46 states and 43 countries, from Chile to China. Its 1996 sales of $2.5 billion in the United States tied it with BTI Americas for third place in Travel Weekly's ranking of travel agencies. American Express Co. is first, with $9.1 billion in sales, followed by Carlson Wagonlit Travel, with $3.2 billion. Rosenbluth's worldwide sales last year totaled $3 billion, and this year the company is projecting revenues of $3.5 billion.

Almost 98 percent of the company's revenue derives from managing the travel needs of its 1,500 or so corporate clients. Its advertising budget, a paltry $150,000 this year, is directed not at consumers but at executives and corporate travel managers who read trade publications.

Rosenbluth has come a long, long way from its beginnings in 1892, when Marcus Rosenbluth, the founding great-grandfather, hit on the idea of charging European immigrants $50 for steamship passage to New York and transportation from Ellis Island to Philadelphia.

The agency stayed close to home for three generations, booking the usual range of cruises and plane trips for customers, until Hal Rosenbluth became president in 1985.

He joined the agency in 1974 and began working his way up the family corporate ladder. But in 1978, the year airlines were deregulated, he wandered into the area where reservation agents were working on the company's few corporate accounts, which represented just $5 million or so in bookings.

"After a couple of days," he said, "I demoted myself from vice president to reservations agent and went into business travel full time."

The key to Rosenbluth's success was its mastery of computers.

The company developed a reservation data system that listed flights by price, thus enabling the company to guarantee corporate travel managers the lowest fare on every route. Next, it promised to reduce corporate travel budgets in return for fees from clients instead of commissions from airlines. Then it demonstrated how airlines could increase revenue by cutting fares to Rosenbluth clients on certain routes, in return for the clients' guarantee to fill more seats.

The technology department, which now accounts for one-fifth of the 500 employees at headquarters, has since turned out an array of software wizardry, including an on-line system that allows travelers to book flights, hotels and rental cars from their personal computers, using a list of options that ranks the best deal for the company and ensures compliance with corporate policy on costs and other travel concerns. Another program enables employees to submit expense reports using a company's existing electronic mail network.

Outlook For Japan Torpedoes The Dollar

Bloomberg News

NEW YORK — The dollar fell against the yen Thursday on speculation that Japan will propose a big tax cut next week to bolster its sagging economy.

Japan's governing Liberal Democratic Party will unveil a stimulus package that may include a corporate tax cut aimed at saving companies as much as $8.2 billion, party officials said.

"Anything that appears to help the economy is going to be good for the yen," said Elliott Dix, chief currency trader at Signet Bank in Richmond, Virginia.

FOREIGN EXCHANGE

In 4 P.M. trading, the dollar fell to 119.470 yen from 121.075 yen Wednesday.

The dollar slipped against the Deutsche mark after a report of tame U.S. inflation doused expectations that the Federal Reserve Board might raise interest rates sooner than the Bundesbank raises German rates.

While U.S. interest rates are higher than those in Germany, the spread between them is expected to narrow by May, when the founding members of Europe's single currency are chosen.

The dollar edged down to *1.7465 DM* from *1.7472 DM* Wednesday, to 5.8556 French francs from 5.8610 francs and to 1.4555 Swiss francs from 1.4585 francs. The pound fell to $1.6177 from $1.6238.

"The good CPI implies the Fed has some room to wait, so U.S. rates may not keep pace with rates in Germany," Mr. Dix said. "Rates in Germany went up once and they might go up again."

The government said its consumer price index rose 0.2 percent in September, a smaller rise than forecast.

In Japan, economic weakness sours investors on the country's assets and the yen needed to pay for them.

AMEX

Thursday's 4 P.M. Close

The 300 most traded stocks of the day, up to the closing on Wall Street.

The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	8082.05	8112.74	7896.39	7938.88	-119.10
Trans	3362.47	3367.37	3304.72	3308.27	-51.00
Util	242.75	245.41	242.59	243.90	+1.36
Comp	2615.24	2624.12	2570.77	2578.79	-31.28

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
Industrials	1131.98	1123.62	1127.29	1112.87
Transp.	710.47	700.65	706.75	696.07
Utilities	207.47	206.48	206.89	207.83
Finance	116.22	115.00	115.22	114.75
SP 500	970.28	962.75	965.72	955.25
SP 100	932.11	922.81	925.65	914.24

NYSE

	High	Low	Last	Chg.
Composite	510.64	500.42	502.30	-4.59
Industrials	639.40	625.77	628.31	-4.60
Transp.	479.02	470.86	471.93	-5.09
Utility	338.26	303.65	304.07	-3.03
Finance	488.90	479.66	481.77	-1.82

Nasdaq

	High	Low	Last	Chg.
Composite	1731.58	1692.34	1699.66	-23.71
Industrials	1464.56	1373.54	1377.09	-31.32
Banks	1961.86	1943.18	1944.40	-8.99
Insurance	1854.11	1835.09	1835.87	-3.10
Finance	2328.27	2300.43	2305.02	-11.39
Transp.	1162.13	1137.92	1138.65	-18.54

AMEX

High	Low	Last	Chg.
716.54	708.29	708.38	-5.96

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	103.89	104.23
10 Utilities	101.49	101.94
10 Industrials	106.29	106.51

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Compaq s	254929	78	72 7/8	73 3/16	-4 1/16
LSI Log	188752	26¼	23⅜	24	-3
Sears	136802	53 3/16	48¼	48½	-5⅜
GTE	119668	46⅛	44½	44⅝	-3⅛
Merck	75157	101 3/16	96½	97 11/16	-4 9/16
NextLev n	73167	14	12¾	13½	-5⅜
BayNtwk	67717	37¼	34⅛	34⅝	-7⅜
AT&T	59002	45⅛	43⅞	43⅝	-1⅛
FordM	48725	49⅞	47⅝	47⅝	-1⅛
Unisys	43385	16⅝	15	15⅜	-½
EEIChile	42281	20⅝	20½	20½	-⅛
PhilMor s	40428	41¼	40½	40¾	-⅜
Boeing s	40358	54 9/16	52⅜	52½	-2⅜
GenElec s	39635	70½	69⅞	69⅞	+⅝
Chrysler	39064	38⅝	37⅝	37⅝	+⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
MCI	298809	38¼	37⅞	38⅛	+1⅛
Intel s	224574	87⅞	84⅛	85⅜	-1⅞
WorldCm	198279	35¼	34½	34⅝	-⅞
SunMic s	168585	45⅛	40⅞	42⅝	-3⅜
ApldMat s	155025	49½	43⅝	44⅛	-4⅞
Ascend	107930	34	32⅜	33⅜	+1¼
DellCpt s	89147	103⅞	97	98⅞	-4⅞
Cisco	79642	83¾	80	81⅞	-1⅝
3Com	75573	53⅝	50⅞	51⅛	-2⅛
AppleC	65954	22⅞	20½	21½	-2⅜
Oracle s	60880	35⅛	34	34⅝	-⅝
Microsft s	58727	136⅛	132⅝	133⅞	-1⅞
NoiseCT	57935	1¼	⅞	⅞	+¼
KLA Tenc	55262	67⅛	60	62¼	-4¼
Xilinx	52918	45⅛	39¾	40½	-3¼

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	93777	97⅛	95	95 9/16	-1
XCL Ltd	14529	⅝	½	⅝	
Harken	13880	7¼	6⅜	6⅝	-⅝
Hears	10598	1⅞	1⅝	1¾	-⅛
GreyWolf	9458	9½	8⅞	8⅞	-⅝
Hasbro s	8379	28⅞	27⅝	28⅝	+⅝
Keane s	8165	38⅝	34½	34½	-2⅜
Metromda	7445	14⅝	14⅛	14⅜	+⅛
TubMex	7423	26⅛	25⅛	25⅜	-⅝
ViacB	6623	30⅛	29⅞	29⅞	-⅝

Trading Activity

NYSE

	Close	Prev.
Advanced	1072	1205
Declined	1827	1469
Unchanged	526	554
Total issues	3425	3428
New Highs	186	163
New Lows	30	24

Nasdaq

	Noon	Prev.
Advanced	1835	1852
Declined	1902	2364
Unchanged	1859	1502
Total issues	5596	5718
New Highs	186	279
New Lows	42	44

AMEX

	Close	Prev.
Advanced	206	254
Declined	380	345
Unchanged	167	146
Total issues	753	745
New Highs	32	41
New Lows	5	2

Market Sales

	Today 4 P.M.	Prev. cons.
NYSE	595.98	608.91
Amex	34.03	36.45
Nasdaq	775.44	816.14

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Anglo Am Gold	b	.118	10-31	12-22
Coles Myer Ltd	b	.6078	10-21	12-2
Emp Nacl ElChil	b	.3449	10-23	
REVERSE STOCK SPLIT				
Decor Indust 1 for 5 reverse split.				
STOCK				
Ntl Home Health	-	3%	11-6	12-8
STOCK SPLIT				
Chittenden Corp 5 for 4 split.				
Compaq Computer 2 for 1 split.				
Mississippi Valley 2 for 1 split.				
Phil Consol 2 for 1 split.				
SI Handling 3 for 2 split.				
VF Corp 2 for 1 split.				
INCREASED				
Dime Financial	Q	.11	11-4	11-18
PPG Indust	Q	.34	11-10	12-12
SPECIAL				
Chittenden Corp	-	.75	10-31	11-14
Oppenheimer Cap	-	.56	10-31	11-28
INITIAL				
Compaq Computer	-	.03	12-31	1-20
Mercantile Bncp	-	.287	12-10	1-2
VF Corp n	-	.20	12-9	12-19
REGULAR				
Allergan Inc	Q	.13	11-17	12-8
Black & Decker	Q	.12	12-12	12-26
Bowater Inc	Q	.20	12-10	1-2
Burlington Nthn	Q	.30	12-3	1-2
Carnegie Bncp	Q	.14	11-19	12-17
Chittenden Corp	Q	.22	10-31	11-14
Codorus Valley	Q	.20	10-28	11-11
Colonial Gas	Q	.335	12-1	12-15
Cummins Engine	Q	.275	12-1	12-15
Dun Bradstreet	Q	.22	11-20	12-10
Fst AustralPrm Inv	M	.09	10-31	11-14
1st Fd S&L EHart	Q	.15	10-30	11-6
Fst Sthest Fin	Q	.06	10-23	10-31
Fort James	Q	.15	12-17	12-31
Hartford Fin Grp	Q	.40	12-1	1-2
Magna Bancorp	Q	.15	10-24	11-10
Mallinckrodt Inc	Q	.165	12-8	12-31
Market Fincl	Q	.07	10-31	11-14
Modine Mfg	Q	.19	11-24	12-4
NCE Petrofund g	M	.06	10-22	10-31
Oil-Dri Corp	Q	.08	11-14	12-16
Oppenheimer Cap	Q	.95	10-31	11-28
Penn REst Tr	x	.47	11-28	12-15
Perpetual Mdwst	Q	.075	10-31	11-12
Realty Income	M	.1575	11-3	11-17
St Paul Bancorp	Q	.10	10-31	11-13
SthFirst Bncshrs	Q	.125	10-27	11-14
Susquehanna Bks	Q	.21	10-28	11-20

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semiannually.

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Oct. 16, 1997

Grains

	High	Low	Latest	Chge	Opint
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Dec 97	290¾	286½	287	-3	207,024
Mar 98	299½	296	296¼	-2½	88,462
May 98	304½	300¾	301¼	-2½	25,279
Jul 98	307¼	305	305¼	-2	33,650
Sep 98	294½	292	292	-2½	2,555
Dec 98	291½	288½	288¾	-2½	21,938
Jul 99			301½	-2½	192
Est. sales 45,000 Wed's sales 58,583					
Wed's open int 379,600, up 4,722					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Oct 97	234.50	229.00	229.20	-5.20	3,972
Dec 97	229.80	224.50	224.80	-4.50	47,751
Jan 98	228.30	223.90	223.90	-4.50	20,336
Mar 98	225.00	220.50	221.00	-3.70	18,571
May 98	223.30	219.00	219.90	-3.40	16,462
Jul 98	224.50	221.40	221.40	-3.50	10,664
Est. sales 20,000 Wed's sales 21,590					
Wed's open int 122,649, up 471					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Oct 97	24.80	24.39	24.67	+0.28	858
Dec 97	25.18	24.66	24.98	+0.24	56,646
Jan 98	25.36	24.94	25.21	+0.25	20,965
Mar 98	25.60	25.22	25.45	+0.22	11,232
May 98	25.70	25.45	25.57	+0.17	7,197
Jul 98	25.80	25.60	25.70	+0.15	7,548
Est. sales 17,000 Wed's sales 12,533					
Wed's open int 105,992, up 1,020					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Nov 97	711	701	702¼	-2¾	82,725
Jan 98	715½	706	706½	-2¾	43,410
Mar 98	721½	713¾	714¼	-3¼	18,936
May 98	728	717½	718½	-3	14,652
Jul 98	733	724	724	-5	12,678
Est. sales 47,000 Wed's sales 61,109					
Wed's open int 179,292, up 3,130					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Dec 97	372½	365	365¼	-4½	62,125
Mar 98	384½	377½	378½	-4¼	27,400
May 98	390	385	385¾	-3¼	5,255
Jul 98	390	386	387¼	-2½	12,578
Est. sales 17,000 Wed's sales 15,192					
Wed's open int 110,623, up 829					

Livestock

	High	Low	Latest	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Oct 97	68.10	67.42	68.02	+0.92	5,947
Dec 97	66.97	66.35	66.85	+0.65	43,669
Feb 98	69.35	68.90	69.17	+0.40	20,508
Apr 98	72.80	72.42	72.67	+0.25	12,938
Jun 98	70.15	69.85	70.02	+0.17	8,959
Aug 98	70.00	69.55	69.60	+0.10	2,716
Est. sales 11,897 Wed's sales 15,834					
Wed's open int 95,712, up 1,247					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Oct 97	77.65	76.95	77.60	+0.80	2,650
Nov 97	77.45	76.80	77.55	+0.62	7,223
Jan 98	78.15	77.50	78.07	+0.52	4,426
Mar 98	78.00	77.45	77.90	+0.45	2,176
Apr 98	78.25	77.85	78.20	+0.37	819
May 98	79.00	78.50	78.92	+0.27	682
Est. sales 2,864 Wed's sales 3,141					
Wed's open int 18,186, up 146					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Oct 97			67.42	unch.	4,122
Dec 97	62.45	61.82	62.00	+0.20	19,981
Feb 98	62.27	61.52	61.70	+0.20	8,174
Apr 98	60.22	59.30	59.45	+0.22	3,050
Jun 98	66.70	65.80	66.17	+0.50	1,545
Est. sales 6,200 Wed's sales 7,071					
Wed's open int 38,313, up 127					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 98	60.70	59.00	60.62	+1.22	6,809
Mar 98	60.65	59.10	60.47	+1.22	838
May 98	62.20	60.60	62.20	+1.20	167
Est. sales 2,834 Wed's sales 3,268					
Wed's open int 7,953, up 218					

Food

	High	Low	Latest	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Dec 97	1651	1623	1628	-16	44,796
Mar 98	1684	1657	1663	-13	27,607
May 98	1701	1675	1685	-11	12,104
Jul 98	1720	1705	1705	-11	3,687
Sep 98	1735	1724	1724	-11	4,735
Dec 98	1762	1741	1741	-11	9,078
Est. sales 9,060 Wed's sales 5,610					
Wed's open int 113,393, off 847					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Dec 97	168.75	157.00	157.25	-8.80	11,724
Mar 98	152.95	144.00	144.15	-6.10	6,895
May 98	148.50	140.25	140.38	-4.70	2,313
Jul 98	143.25	136.00	136.00	-5.00	2,355
Sep 98	135.00	132.05	132.05	-4.20	533
Est. sales 12,336 Wed's sales 5,719					
Wed's open int 24,275, up 281					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb					
Mar 98	11.87	11.74	11.78	-0.07	92,069
May 98	11.88	11.78	11.80	-0.07	24,706
Jul 98	11.80	11.71	11.72	-0.07	18,841
Oct 98	11.76	11.68	11.69	-0.08	16,498
Est. sales 11,339 Wed's sales 15,461					
Wed's open int 156,312, up 2,821					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Nov 97	68.60	67.60	68.30	+0.35	14,747
Jan 98	71.85	70.85	71.60	+0.75	14,384
Mar 98	74.85	74.00	74.80	+0.70	8,890
May 98	77.90	77.10	77.80	+0.70	2,160
Est. sales N.A. Wed's sales 2,930					
Wed's open int 41,632, up 125					

Metals

	High	Low	Latest	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Oct 97			324.90	-1.20	135
Dec 97	329.10	326.00	326.80	-1.30	86,307
Feb 98	330.50	327.50	328.10	-1.30	22,153
Apr 98	331.50	329.20	329.70	-1.20	5,989
Jun 98	333.70	331.50	331.50	-1.20	10,053
Aug 98	334.60	333.50	333.50	-1.10	4,391
Oct 98	335.40	334.00	335.40	-1.10	486
Dec 98	339.10	337.30	337.30	-1.20	8,793
Est. sales 40,000 Wed's sales 35,785					
Wed's open int 173,412, off 2,518					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Oct 97	96.50	94.00	94.35	-1.55	732
Nov 97	97.10	94.75	94.80	-1.55	2,607
Dec 97	97.70	94.70	95.40	-1.65	26,808
Jan 98	95.50	95.50	95.50	-1.75	1,065
Feb 98	96.10	95.50	95.50	-1.75	1,155
Mar 98	97.40	95.30	95.75	-1.60	6,002
Apr 98			95.40	-1.65	1,017
May 98	95.60	95.00	95.35	-1.25	2,804
Jun 98	95.00	94.80	94.80	-1.30	1,002
Est. sales 12,000 Wed's sales 10,703					
Wed's open int 52,043, up 665					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Oct 97	508.00	487.60	487.60	-15.50	34
Dec 97	511.50	489.50	491.00	-15.70	70,577
Jan 98			492.30	-15.80	20
Mar 98	516.00	495.50	496.90	-16.00	19,900
May 98	518.00	499.00	499.60	-16.10	3,212
Jul 98			502.48	-16.20	2,720
Sep 98	536.00	505.10	505.10	-16.40	641
Est. sales 28,000 Wed's sales 15,493					
Wed's open int 103,869, up 858					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Oct 97	435.50	427.50	427.50	-10.40	156
Jan 98	441.00	426.00	429.50	-10.40	13,118
Apr 98	426.80	424.50	424.50	-10.40	901
Jul 98	427.50	421.00	421.00	-10.40	21
Est. sales N.A. Wed's sales 1,094					
Wed's open int 14,196, up 277					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1603.00	1604.00	1608½	1609½
Forward	1624.00	1625.00	1624½	1625.00
Copper Cathodes (High Grade)				
Spot	2090.00	2092.00	2097.00	2098.00
Forward	2110.00	2111.00	2120.00	2121.00
Lead				
Spot	601.00	602.00	598.00	599.00
Forward	612½	613.00	610.00	611.00
Nickel				
Spot	6485.00	6495.00	6410.00	6415.00
Forward	6570.00	6580.00	6510.00	6515.00
Tin				
Spot	5615.00	5620.00	5615.00	5625.00
Forward	5660.00	5665.00	5665.00	5670.00
Zinc (Special High Grade)				
Spot	1298½	1299½	1306.00	1307.00
Forward	1315.00	1316.00	1323.00	1324.00

Financial

	High	Low	Close	Chge	Opint
US T BILLS (CMER) $1 million- pts of 100 pct.					
Dec 97	95.04	95.01	95.03	unch.	4,909
Mar 98	95.07	95.02	95.04	+0.01	4,249
Jun 98	95.00	95.00	94.98	unch.	234
Est. sales 725 Wed's sales 381					
Wed's open int 9,392, up 41					
5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Dec 97	107-30	107-14	107-22	unch.	226,565
Jun 98			-14	unch.	
Est. sales 60,000 Wed's sales 40,934					
Wed's open int 228,658, up 3,787					
10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Dec 97	110-20	110-00	110-06	unch.	378,908
Mar 98	110-01	109-22	109-27	unch.	19,823
Jun 98			109-19	unch.	2
Est. sales 110,000 Wed's sales 71,354					
Wed's open int 397,933, off 1,758					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Dec 97	116-09	115-07	115-16	unch.	632,493
Mar 98	115-31	114-31	115-06	unch.	68,404
Jun 98			114-27	+01	8,275
Sep 98	115-03	114-17	114-17	+01	1,956
Est. sales 530,000 Wed's sales 379,535					
Wed's open int 716,088, up 883					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Dec 97	119-19	118-24	119-01	—0-09	182,684
Mar 98	119-00	118-28	118-31	—0-09	2,662
Jun 98	N.T.	N.T.	118-26	—0-09	0
Est. sales: 146,705. Prev. sales: 92,196					
Prev. open int.: 185,346 off 6,352					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Dec 97	102.40	101.74	101.92	—0.45	294,932
Mar 98	101.58	101.14	101.20	—0.44	8,057
Est. sales: 303,154. Prev. sales: 193,081					
Prev. open int.: 302,989 up 440					

	High	Low	Latest	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Dec 97	98.82	98.06	98.30	— 0.48	138,782
Mar 98	98.26	97.64	97.78	— 0.46	6,235
Jun 98	97.84	97.84	97.34	— 0.48	0
Est. sales: 244,173.					
Open int.: 145,017 off 525.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Dec 97	112.52	111.92	112.17	—0.37	113,470
Mar 98	112.38	112.38	112.12	—0.37	1,437
Jun 98	N.T.	N.T.	112.12	—0.37	0
Est. sales: 61,841. Prev. sales: 50,345					
Prev. open int.: 114,907 up 147					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Nov 97	94.33	94.30	94.30	-0.01	36,418
Dec 97	94.14	94.10	94.11	unch.	10,668
Jan 98	94.24	94.22	94.23	unch.	3,717
Est. sales 9,213 Wed's sales 10,163					
Wed's open int 53,534, off 20,009					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Nov 97	94.20	94.16	94.18	unch.	18,046
Dec 97	94.16	94.11	94.13	unch.	605,026
Mar 98	94.11	94.03	94.06	unch.	447,863
Jun 98	94.04	93.96	93.98	unch.	342,174
Sep 98	93.97	93.88	93.91	unch.	264,561
Dec 98	93.88	93.79	93.82	-0.01	223,424
Mar 99	93.86	93.77	93.81	unch.	160,558
Jun 99	93.82	93.74	93.77	-0.01	127,648
Sep 99	93.78	93.71	93.74	unch.	102,850
Dec 99	93.71	93.64	93.67	unch.	84,735
Mar 00	93.71	93.64	93.67	unch.	70,435
Jun 00	93.68	93.61	93.64	unch.	58,722
Est. sales 511,580 Wed's sales 455,407					
Wed's open int 2,835,160, off 27,718					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Dec 97	1.6200	1.6130	1.6150	-0.0034	29,577
Mar 98	1.6100	1.6090	1.6092	-0.0034	257
Jun 98			1.6034	-0.0034	27
Est. sales 4,233 Wed's sales 4,221					
Wed's open int 29,861, up 141					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Dec 97	.7243	.7222	.7233	unch.	49,617
Mar 98	.7273	.7260	.7266	unch.	2,141
Jun 98			.7290	unch.	518
Est. sales 6,269 Wed's sales 20,268					
Wed's open int 52,572, off 1,600					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 97	.5760	.5734	.5752	+0.0017	66,988
Mar 98	.5781	.5770	.5780	+0.0017	2,550
Jun 98	.5806	.5806	.5806	+0.0017	2,617
Est. sales 14,690 Wed's sales 13,791					
Wed's open int 72,258, up 1,081					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Dec 97	.8423	.8330	.8419	+0.0095	82,583
Mar 98	.8535	.8494	.8532	+0.0096	976
Jun 98	.8647	.8622	.8647	+0.0097	163
Est. sales 19,243 Wed's sales 8,021					
Wed's open int 83,623, off 1,221					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Dec 97	.6926	.6896	.6911	+0.0018	37,648
Mar 98	.6979	.6970	.6975	+0.0017	1,674
Jun 98			.7038	+0.0017	267
Est. sales 8,086 Wed's sales 10,489					
Wed's open int 39,695, off 1,102					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Dec 97	.12695	.12625	.12645	-.00071	26,197
Mar 98	.12285	.12200	.12240	-.00035	9,708
Jun 98	.11950	.11860	.11895	unch.	2,064
Est. sales 7,594 Wed's sales 6,216					
Wed's open int 41,340, up 527					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Dec 97	92.63	92.60	92.63	+0.03	131,456
Mar 98	92.64	92.59	92.61	+0.02	120,195
Jun 98	92.68	92.63	92.64	+0.01	85,259
Sep 98	92.83	92.74	92.76	—0.01	65,748
Dec 98	92.99	92.89	92.89	—0.03	63,986
Mar 99	93.16	93.03	93.04	—0.05	35,351
Jun 99	93.31	93.17	93.17	—0.08	31,871
Est. sales: 128,967. Prev. sales: 131,030					
Prev. open int.: 650,281 up 10,504					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Nov 97	96.24	96.24	96.24	—0.04	1,292
Dec 97	96.19	96.11	96.13	—0.06	212,500
Jan 98	96.07	96.06	96.07	—0.07	200
Mar 98	95.89	95.77	95.80	—0.09	332,818
Jun 98	95.59	95.45	95.52	—0.09	264,851
Sep 98	95.39	95.28	95.32	—0.10	196,194
Dec 98	95.22	95.09	95.13	—0.10	163,722
Mar 99	95.04	94.93	94.97	—0.11	177,042
Jun 99	94.90	94.80	94.84	—0.11	77,029
Sep 99	94.80	94.69	94.71	—0.11	69,875
Est. sales: 464,788. Prev. sales: 307,721					
Prev. open int.: 1,734,335 up 26,136					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Dec 97	96.19	96.12	96.15	— 0.05	39,221
Mar 98	95.84	95.73	95.77	— 0.08	48,015
Jun 98	95.57	95.46	95.50	— 0.09	29,867
Sep 98	95.37	95.27	95.31	— 0.09	19,398
Dec 98	95.23	95.13	95.15	— 0.09	20,980
Est. sales: 106,051.					
Open int.: 241,693 up 4,622.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Dec 97	93.98	93.91	93.96	—0.02	109,439
Mar 98	94.70	94.62	94.65	—0.04	103,701
Jun 98	95.05	94.95	95.01	—0.02	94,604
Sep 98	95.05	94.96	95.02	—0.04	63,246
Dec 98	94.98	94.89	94.93	—0.08	56,461
Mar 99	94.87	94.79	94.82	—0.09	27,567
Est. sales: 91,780. Prev. sales: 123,122					
Prev. open int.: 473,816 up 15,011					

Industrials

	High	Low	Latest	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Dec 97	71.45	71.06	71.38	+0.16	50,612
Mar 98	72.85	71.80	72.82	+0.17	16,414
May 98	73.79	73.45	73.75	+0.26	8,344
Jul 98	74.50	74.35	74.47	+0.17	7,553
Oct 98	76.10	75.68	76.10	+0.42	763
Est. sales N.A. Wed's sales 7,673					
Wed's open int 92,477, up 982					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Nov 97	58.45	56.90	58.01	+1.07	40,198
Dec 97	59.40	57.85	58.98	+1.02	40,279
Jan 98	59.95	58.65	59.58	+0.92	21,774
Feb 98	60.00	59.45	59.78	+0.82	11,389
Mar 98	59.15	58.65	58.98	+0.72	8,066
Apr 98	57.45	57.00	57.23	+0.62	5,295
May 98	56.05	55.40	55.88	+0.52	3,293
Est. sales N.A. Wed's sales 31,468					
Wed's open int 140,808, off 2,327					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Nov 97	21.02	20.47	20.97	+0.40	59,096
Dec 97	21.14	20.67	21.09	+0.39	100,790
Jan 98	21.10	20.74	21.08	+0.38	49,994
Feb 98	21.02	20.69	20.99	+0.34	27,543
Mar 98	20.92	20.62	20.90	+0.32	14,989
Apr 98	20.81	20.57	20.81	+0.31	12,853
Est. sales N.A. Wed's sales 119,079					
Wed's open int 426,556, off 1,006,042					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Nov 97	3.275	3.020	3.247	+0.208	44,162
Dec 97	3.355	3.130	3.329	+0.198	39,326
Jan 98	3.264	3.110	3.264	+0.150	27,881
Feb 98	2.955	2.800	2.940	+0.132	19,298
Mar 98	2.660	2.550	2.640	+0.100	14,155
Apr 98	2.400	2.360	2.375	+0.059	8,621
Est. sales N.A. Wed's sales 28,256					
Wed's open int 238,282, up 586					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Nov 97	59.95	58.80	59.68	+1.48	28,812
Dec 97	59.55	57.90	59.35	+1.18	21,351
Jan 98	59.60	58.45	59.35	+1.03	15,719
Feb 98	59.75	59.40	59.60	+0.93	6,074
Mar 98	60.10	59.60	60.10	+0.83	5,243
Apr 98	62.60	62.15	62.60	+0.73	3,897
May 98			62.35	+0.63	2,886
Jun 98			61.73	+0.61	1,590
Est. sales N.A. Wed's sales 29,046					
Wed's open int 90,331, off 852					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Nov 97	180.25	177.75	180.00	+ 2.25	34,319
Dec 97	181.50	179.50	181.25	+ 2.00	18,661
Jan 98	182.75	181.00	182.75	+ 1.75	15,117
Feb 98	182.50	181.50	183.00	+ 2.00	7,373
Mar 98	180.00	179.00	180.50	+ 1.50	5,150
Apr 98	N.T.	N.T.	178.00	+ 1.50	2,405
May 98	174.00	174.00	175.50	+ 1.50	1,231
Est. sales: 11,975. Prev. sales: 13,471					
Prev. open int.: 97,047 off 1,404					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Nov97	19.82	19.43	19.79	+ 0.28	18,477
Dec97	19.95	19.46	19.92	+ 0.37	80,175
Jan98	19.91	19.70	19.85	+ 0.27	32,228
Feb98	19.85	19.65	19.78	+ 0.26	14,764
Mar 98	19.75	19.56	19.65	+ 0.24	5,591
Apr 98	19.63	19.35	19.53	+ 0.25	3,195
Est. sales: 37,432. Prev. sales: 53,859					
Prev. open int.: 171,327 off 2,367					

Stock Indexes

	High	Low	Latest	Chge	Opint
SP COMP INDEX (CMER) 500 x index					
Dec 97	981.50	956.00	962.50	-11.00	187,915
Mar 98	991.50	966.00	974.00	-10.10	4,817
Jun 98	991.00	991.00	991.00	-3.75	1,348
Est. sales N.A. Wed's sales 53,053					
Wed's open int 193,542, off 576					
FTSE 100 (LIFFE) £25 per index point					
Dec 97	5390.0	5307.0	5385.0	+59.5	73,727
Mar 98	5416.5	5370.0	5433.5	+60.0	2,837
Est. sales: 10,508. Prev. sales: 12,428					
Prev. open int.: 75,754 up 569					
CAC 40 (MATIF) FF200 per index point					
Oct 97	3013.0	2971.0	3009.0	+18.0	30,031
Nov 97	3016.0	2982.0	3017.0	+18.0	11,758
Dec 97	3025.0	2989.0	3024.5	+17.5	17,468
Mar 98	3032.0	3027.0	3049.5	+18.0	10,793
Est. sales: 17,517.					
Open int.: 83,674 up 42.					

Commodity Indexes

	Close	Previous
Moody's	1,527.60	1,534.60
Reuters	1,882.20	1,885.20
D.J. Futures	146.27	147.86
CRB	243.92	244.75

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

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Outlook For Japan Torpedoes The Dollar

Offers Bolster MCI

Someone Will Buy It, Investors Trust

Bloomberg News

NEW YORK — Shares of MCI Communications Corp. and British Telecommunications PLC rose Thursday amid confidence that MCI will accept a bid from one of its suitors.

MCI stock finished up $1.125 at $38 and was the most active issue on U.S. exchanges. BT's American depositary receipts rose $1.125 to $76.125, while its shares closed up 26.5 pence in London, at 473.5 ($7.69).

Analysts said that GTE Corp.'s surprise bid to buy MCI for cash bolstered investors' confidence that one of companies trying to purchase the No. 2 U.S. long-distance company will succeed. GTE's $40-a-share cash offer and WorldCom's $41.50-a-share stock bid have cut the risk that MCI's shares could fall back to where they were before the offers were made, they said.

"People are confident somebody will buy them," said Anna-Maria Kovacs of Janney Montgomery Scott Inc. "The GTE offer puts a floor under MCI's stock."

GTE unveiled its bid, which is worth at least $28 billion, on Wednesday, two weeks after WorldCom made its stock offer, worth at least $30 billion. Both bids were made after BT, which already owns 20 percent of MCI, renegotiated its agreement in August to buy the remaining 80 percent of the company. Based on Wednesday's closing price of $75 for American depositary receipts representing shares in BT, BT's cash and stock bid valued MCI at $35.88 a share.

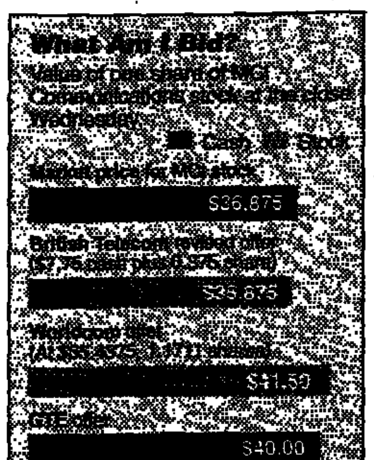
Some investors expect even more bids, analysts said. "The market's saying there's going to be somebody who will push the bid even above WorldCom's," said Guy Woodlief of Prudential Securities Inc.

While GTE's offer all but kills off BT's agreed offer for MCI, it could pave the way for a powerful three-way alliance that saves BT from having to rebuild its international expansion strategy from scratch.

"GTE is a not-dissimilar company to British Telecom," said Grant Cullens of Hill Samuel Asset Management. "From a commercial point of view, the two of them could sit down far more easily than WorldCom and BT and thrash something out."

GTE's bid also gives BT the option of walking away with $5.6 billion in cash for its 20 percent stake in MCI, instead of getting WorldCom shares. WorldCom shares have risen 10-fold in the past five years, but are vulnerable if the U.S. bull market comes to a halt, analysts said.

BT opened the door for WorldCom by lowering its offer for MCI by about $5 billion in August, after MCI said local operations would lose $800 million this year and possibly more in 1998.



McGraw-Hill Purchases Funds Researcher Micropal

Compiled by Our Staff From Dispatches

LONDON — McGraw-Hill Cos. said Thursday that it would buy Micropal, Europe's largest investment fund researcher, for an undisclosed price and would make it part of its Standard & Poor's Corp.'s information-services business.

The purchase comes five months after Standard & Poor's bought Fund Research Inc., the largest fund researcher in Britain, to raise its international coverage and to add stock-fund analysis to its fixed-income expertise.

"When combined, we will be a powerhouse in the mutual-funds industry," said Robert Hunter, president of S&P Financial Information Services. "Micropal offers the most comprehensive performance measurement system in mutual funds worldwide."

More than 30,000 mutual funds outside the United States have collective assets of roughly $3 trillion, McGraw-Hill said.

Mr. Hunter, who refused to comment on the purchase price, said it was a cash offer. S&P said Micropal's directors and other shareholders, who own the overwhelming majority of outstanding shares, had agreed to the terms of the sale.

Micropal, which was established in 1995 and employs 150 people in 11 countries, has data on more than 38,000 funds.

S&P provides financial information and credit ratings for countries, companies and institutions worldwide.

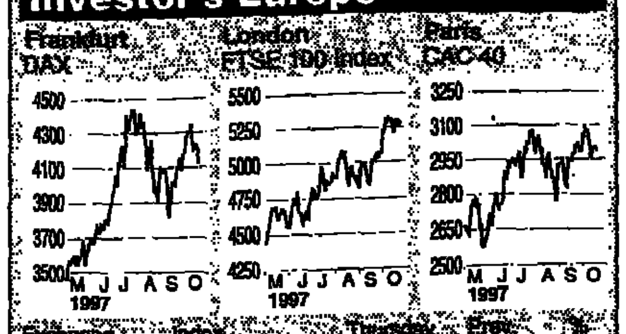
Standard & Poor's Micropal will be run by Mark Adorian, who has managed Micropal's day-to-day activities. Christopher Poll, the founder and 50 percent stakeholder of Micropal, said he would retire.

Last year Micropal earned £380,000 ($616,855) before taxes on sales of £11.9 million. This year, revenue will be around £13.6 million, Mr. Poll said.

Separately, the parent of the rating agency IBCA, the French-based Financiere Marc de Lacharierre SA, said it had acquired Fitch Investors Service for $175 million and would combine it with IBCA. Fimalac said the move would create the third-largest rating agency in the world.

(Bloomberg, Reuters)

Investor's Europe



Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	912.81	923.63	-1.26
Brussels	BEL-20	2,430.11	2,422.42	+0.32
Frankfurt	DAX	4,118.22	4,193.69	-1.80
Copenhagen	Stock Market	652.47	654.77	-0.35
Helsinki	HEX General	3,825.36	3,806.06	+0.51
Oslo	OBX	745.78	734.11	+1.59
London	FTSE 100	5,287.90	5,263.70	+0.46
Madrid	Stock Exchange	594.92	593.90	+0.17
Milan	MIBTEL	15981	15988	-0.04
Paris	CAC 40	2,992.87	2,992.16	+0.02
Stockholm	SX16	3,506.82	3,511.57	-0.14
Vienna	ATX	1,423.42	1,433.78	-0.72
Zurich	SPI	3,702.94	3,706.79	-0.10

Source: Telekurs — International Herald Tribune

GM Said to Weigh Plan for Sharp Cuts in Europe Work Force

Compiled by Our Staff From Dispatches

RUESSELSHEIM, Germany — General Motors Corp. may reduce its European work force between 10 percent and 15 percent as part of a cost-cutting plan, the chairman of the workers council for the company's Adam Opel unit said Thursday.

Rudolf Mueller, chief of the workers council, said an efficiency study of the carmaker's European operation was expected to recommend cutting 10,000 to 12,000 jobs across Europe over the next two to five years. In Germany alone, where GM has most of its European factories, about 6,000 to 8,000 jobs could go.

Opel Belgium said Thursday that it would cut 1,900 jobs at its Antwerp assembly plant as part of the planned restructuring.

GM had a loss of $21 million in Europe in the third quarter and is looking for ways to finance a $2.7 billion plan to expand production in Asia, Eastern Europe and South America.

Mr. Mueller said he would not rule out a strike by the 45,000 workers in Germany if GM went ahead with the plan. "The cost reduction program will end up costing the workers more than anyone else," he said.

GM declined to confirm the extent of the job cuts. "The 10 percent to 15 percent number is pure speculation," said a GM spokesman in Europe. "Much of the study has not yet been completed and has not even started in our largest site in Germany."

Mr. Mueller, who has responsibilities for GM workers across Europe, demanded that GM discontinue the study, which will be presented to management Oct. 28, and "focus more on the challenges of the European car market."

Adding to the uncertainty over Opel's future was a report in the German magazine Manager saying that the chairman of Adam Opel AG, David Herman, would be replaced by Gary Cowger, managing director of GM's Mexico operation. Opel responded by saying it saw no reason Mr. Herman should be replaced.

"Herman was properly appointed by the supervisory board and is discharging his duties with full commitment," Opel said. "We see no reason to participate in such speculation." Earlier this year, Mr. Herman's contract as chairman was renewed for a further five years.

New registrations of Opel cars in the European Union fell 0.5 percent in the first nine months of 1997, and in June the company said increased competition in the moribund European market could soften earnings for the year. Last year, it had a profit of 314 million Deutsche marks ($197 million). Opel is losing market share to its main rival, Volkswagen AG.

(Bloomberg, Reuters, AFX)

Very briefly:

- W.H. Smith Group PLC plans to spin off its Waterstone's book unit and sell its recorded music businesses. The company also said it had rejected a second takeover proposal in two weeks by Tim Waterstone, a former Smith executive who founded the Waterstone's chain before selling it to Smith in 1989. Analysts value Waterstone's at about £210 million ($340.9 million).
- T&N PLC, a British car-parts maker, advised shareholders to accept a revised £1.5 billion, 260 pence-per-share bid from Federal-Mogul Corp. of the United States.
- Assurances Generales de France SA rejected an unsolicited 55 billion franc ($9.36 billion) takeover bid by Assicurazioni Generali SpA of Italy, saying it was too low and could lead to the dismantling of AGF.
- The London Metal Exchange appointed Alan Whiting as its first director of regulation and compliance in a move aimed at improving its policing of the exchange 16 months after Sumitomo Corp. lost $2.6 billion in a copper-trading scandal. Mr. Whiting has been responsible for regulation at the Treasury.
- President Jacques Chirac of France, in an apparent criticism of leftist government policy, said changes in working hours could not be imposed from above. *Bloomberg, Reuters*

WORLD STOCK MARKETS

Thursday, Oct. 16

Prices in local currencies.

Telekurs

Amsterdam
AEX index: 912.81 Previous: 923.63

	High	Low	Close	Prev.
ABN-AMRO	40.60	39.50	39.80	40.70
Aegon	169.10	164.50	166.40	169.60
Ahold	52.30	50.90	51.50	52.30
Akzo Nobel	358	351.80	353	357
Baan Co.	144	141.50	141.50	141.60
Bols Wess cva	34.80	34.30	34.80	34.80
CSM cva	93.20	91.70	92.40	92.30
Dordtsche Pet	112.90	111	111.30	112.50
DSM	186.50	182.50	182.50	185.60
Elsevier	33.30	32.70	33	32.90
Fortis Amev	83.10	81.20	82.50	83.20
Getronics	72.50	68.90	72.50	71.20
G-Broc cva	58.60	57.80	58.20	58.70
Hagemeyer	99.40	96.50	97	99
Heineken	346	340.80	342	346.20
Hoogovens cva	119.50	116.50	118.30	118.50
Hunt Douglas	90	87.80	88	90
ING Group	90.80	89.50	89.90	90.90
KLM	71.20	69.50	70.60	70.80
KNP BT	50.50	49.80	50	50.30
KPN	75.40	74.30	74.30	75.40
Nedlloyd Gp	71.70	70.10	71.30	72
Nutricia	59.50	58.20	59	59.30
Oce Grinten	251.90	246	246	251.20
Philips Elec	162.80	159.70	159.90	161.40
Polygram	122.30	119.60	119.70	124
Randstad Hdg	81	80.10	81	80.40
Robeco	193.80	193	193	193.70
Rodamco	60.40	60	60.10	60.30
Rolinco	192	191.50	192	192.50
Rorento	118.40	118.30	118.30	118.80
Royal Dutch	111.70	109.80	110.40	111.90
Unilever cva	107.70	105.80	106.70	107.50
Vendex Intl	112	110.30	112	111.50
VNU	46.80	45	45	45.80
Wolters Kl cva	265.50	259	261.60	261.50

Bangkok
SET index: 531.38 Previous: 525.59

	High	Low	Close	Prev.
Adv Info Svc	256	250	254	252
Bangkok Bk F	168	160	162	167
Krung Thai Bk	22	21	21.25	22
PTT Explor	408	400	402	400
Siam Cement F	572	566	566	566
Siam Com Bk F	100	96	97.50	102
Telecomasia	29	28.50	28.75	29
Thai Airways	56	54.50	54.50	56
Thai Farm Bk F	122	120	121	121
Utd Comm	102	99.50	101	100

Bombay
Sensex 30 index: 4047.85 Previous: 4024.55

	High	Low	Close	Prev.
Bajaj Auto	614.75	598	605.25	596
Hindust Lever	1410	1375.50	1401.25	1373
Hindust Petm	506	498	499.25	498
Ind Dev Bk	103.50	102.50	103	102.75
ITC	603.25	593.50	600.25	593
Mahanagar Tel	272	269.25	270.50	269.75
Reliance Ind	411	400.50	404.25	405
State Bk India	291	280	288.75	279.75
Steel Authority	16	15.75	16	15.75
Tata Eng Loco	354.50	344	350.50	343.25

Brussels
BEL-20 index: 2430.11 Previous: 2422.42

	High	Low	Close	Prev.
Almanij	1670	1615	1640	1675
Barco Ind	7600	7280	7600	7350
BBL	9400	9190	9400	9300
CBR	3295	3285	3290	3300
Colruyt	20000	19450	20000	20075
Delhaize Lion	1765	1745	1765	1760
Electrabel	7420	7400	7410	7410
Electrafina	3500	3440	3490	3490
Fortis AG	7260	7150	7240	7290
Gevaert	1630	1580	1630	1630
GBL	5800	5620	5710	5630
Gen Banque	14900	14550	14850	14700
Kredietbank	14850	14675	14800	14950
Petrofina	14475	14200	14475	14375
Powerfin	5070	5030	5030	5090
Royale Belge	9700	9500	9610	9580
Soc Gen Belg	3315	3305	3315	3340
Solvay	2150	2090	2150	2120
Tractebel	3050	3025	3030	3030
UCB	131650	128500	130300	131700

Copenhagen
Stock Index: 652.47 Previous: 654.77

	High	Low	Close	Prev.
BG Bank	450	425	446.45	426
Carlsberg B	384	375.53	376	374.63
Codan Fors	1000	975	1000	993
Danisco	384	375	384	381
Den Danske Bk	720	709	714.46	720
D/S Svendborg B	460000	455000	457500	470000
D/S 1912 B	327000	320000	320000	329000
FLS Ind B	190	184	188	185
Kob Lufthavne	815	809	809	810
Novo Nordisk B	774.77	755	774	766
Sophus Ber B	1100	1020	1070	1078.92
Tele Danmk B	356	349.30	355	357
Tryg Baltica	440	429	440	438
Unidanmark A	467	457	465	465

Frankfurt
DAX index: 4118.22 Previous: 4193.69

	High	Low	Close	Prev.
AMB B	185	184	184	186
Adidas	248	244	244	247
Allianz Hdg	440	437.50	438.50	457
Altana	136.90	135.10	136	136.90
Bk Berlin	48.50	48	48.10	49
BASF	61.70	60.45	60.55	62.15
Bayer Hypo Bk	80.50	79.50	79.60	81.90
Bay.Vereinsbank	106.90	104.80	106.30	108.10
Bayer	67.55	64.90	65.05	67.20
Beiersdorf	81.50	79.50	79.50	81.90
Bewag	43	41	41.80	43.65
BMW	1420	1402	1415	1434
CKAG Colonia	170	167.50	169.20	172
Commerzbank	65.50	64.20	64.20	65.50
Daimler Benz	134.80	133.30	134.35	135
Degussa	87	86.20	86.20	87.50
Deutsche Bank	125.40	122.70	122.70	127.55
Deut Telekom	33.95	33.60	33.65	33.80
Dresdner Bank	81.90	80.80	81	82.70
Fresenius	296	293	296	299
Fresenius Med	134.20	134.80	135.10	137.98
Fried. Krupp	359.50	355	356.50	360.50
Gehe	89.30	88	88.40	90.10
Heidelbg Zmt	161	159	159	161.95
Henkel pfd	107.10	106.30	106.30	107.60
HEW	475	475	475	480
Hochtief	82.50	82.50	82.50	84.40
Hoechst	76.20	75.40	75.85	76
Karstadt	611	605	605	611
Lahmeyer	92.50	92.50	93.50	95
Linde	1197	1175	1175	1197
Lufthansa R	33.85	32.90	32.95	33.15
MAN	533	527	530	532.50
Mannesmann	814	810	812	837
Metallgesellschaft	36.85	36.45	36.70	37
Metro	81	78.50	79.70	82.20
Munch Rueck R	589	580	580	601
Preussag	508	507	504	511.75
RWE	87.40	86	86	88.50
SAP pfd	501.20	494	499.20	490
Schering	179	175.20	175.20	179
SGL Carbon	269	262	263	269
Siemens	122	120.60	121.50	123.20
Springer (Axel)	1540	1540	1540	1520
Suedzucker	887	880	880	894
Thyssen	415	412.50	412.50	419
Veba	100.30	99.20	99.40	100.75
VEW	570	570	570	570
Viag	853.90	845.50	849	857
Volkswagen	1185	1165	1165	1191

Helsinki
HEX General index: 3825.36 Previous: 3806.06

	High	Low	Close	Prev.
Enso A	58	56	57.70	56
Huhtamaki I	217	208	216	208
Kemira	57.50	56.50	57.50	58
Kesko	74.50	73.20	74	73.20
Merita A	26.60	26	26.50	26.40
Metra B	149.50	148	149.50	148
Metsa-Serla B	50.40	49	50.20	49
Neste	135	134	135	134
Nokia A	517.50	510	512	514
Orion-Yhtyma	194	192	193	192
Outokumpu A	91	90	90.50	91.50
UPM-Kymmene	150	149	149.80	149.80
Valmet	96	94	95.50	95

Hong Kong
Hang Seng: 13567.26 Previous: 13384.54

	High	Low	Close	Prev.
Amoy Props	7.90	7.80	7.90	7.90
Bk East Asia	25.90	25.20	25.40	25.50
Cathay Pacific	9.65	8.60	9.65	8.70
Cheung Kong	77	74	76	78
CK Infrastruct	20.35	19	20.20	19.20
China Light	39.60	38.30	39	38.50
Citic Pacific	38.90	37.10	38.80	38.10
Dao Heng Bk	29	27.80	28.65	28.30
First Pacific	7.10	6.75	7	6.80
Hang Lung Dev	13.65	13.10	13.60	13.50
Hang Seng Bk	87	84	86.75	85.25
Henderson Inv	7.55	7.10	7.45	7.30
Henderson Ld	57.75	55	57.75	56.50
HK China Gas	15.05	14.55	14.90	14.70
HK Electric	28.90	27.50	28.80	27.80
HK Telecomm	16.80	15.90	16.75	16.10
Hopewell Hdgs	3.60	3.33	3.52	3.42
HSBC Hdgs	235	227	224	221
Hutchison Wh	66.75	63.50	66.50	66.25
Hysan Dev	21.30	20.70	21.20	21
Johnson El Hdg	21.70	21.10	21.10	22
Kerry Props	17.60	17.40	17.50	17.40
New World Dev	41.40	40	41.40	41.30
Oriental Press	2.30	2.17	2.28	2.13
Pearl Oriental	0.77	0.68	0.77	0.72
SHK Props	86	83	86	85
Shun Tak Hdgs	4.63	4.50	4.63	4.53
Sino Land Co.	6.75	6.50	6.75	6.65
Sth China Post	6.60	6.20	6.60	6.50
Swire Pac A	56.75	53	56.25	54.25
Wharf Hdgs	25.25	24.45	25.05	25.25
Wheelock	14.15	13.30	14	13.60

Jakarta
Composite index: 517.09 Previous: 518.92

	High	Low	Close	Prev.
Astra Intl	2600	2400	2600	2525
Bk Intl Indon	800	750	800	775
Bk Negara	800	750	750	775
Gudang Garm	8900	8600	8800	9075
Indocement	2000	1900	2000	1950
Indofood	3950	3850	3950	3900
Indosat	9050	8900	9050	8875
Sampoerna HM	6050	5750	5975	5900
Semen Gresik	3300	3175	3275	3225
Telekomunikasi	3625	3550	3625	3575

Johannesburg
All Market: 7325.25 Previous: 7282.39

	High	Low	Close	Prev.
ABSA Group	31.50	31.35	31.35	31.40
AngloAm Coal	293	293	293	293
AngloAm Corp	260	258.20	259.20	258.40
AngloAm Gold	271.60	263	271.60	263
AngloAm Ind	177.40	177	177	177
AngloAM Plat	87	84.40	87	84.40
AVMIN	11.80	11.70	11.70	11.80
Barlow	53.50	52.10	53.20	52.50
C.G. Smith	24	23.25	24	23.15
De Beers	143.60	142.80	143.40	143.20
Driefontein	33.50	32.25	33.50	33
Fst Natl Bk	42.10	41.10	42	41.80
Gencor	12.35	11.70	12.30	11.90
GFSA	102	101.60	102	102
Imperial Hdgs	64.20	63.10	64	63
Ingwe Coal	24.50	24	24	24.50
Iscor	3.05	3.03	3.03	3.04
Johnnies Indl	62	60.50	62	60.50
Liberty Hdgs	356	354	356	355.80
Liberty Life	135.20	134.80	135.20	135.20
LibLife Strat	16.80	16.25	16.20	16.25
Minorco	101	100.20	100.60	100
Nampak	17.70	17.65	17.65	17.65
Nedcor	109.60	107.40	109	108
Rembrandt Gp	45.60	45.10	45.50	45.15
Richemont	61.90	61	61.80	61.10
SA Breweries	136	133.40	134	134.40
Samancor	36.75	36.50	36.75	36.75
Sasol	64	63.20	64	63.20
SBIC	220	216	220	216
Tiger Oats	76.80	75	76.60	74.50

Kuala Lumpur
Composite: 882.92 Previous: 881.52

	High	Low	Close	Prev.
AMMB Hdgs	7.80	7.60	7.60	7.80
Genting	10.10	9.95	9.95	10.10
Mal Banking	16.40	15.90	16	16.40
Mal Intl Ship F	6.20	6	6	6.25
Petronas Gas	9.90	9.60	9.90	9.65
Proton	9	8.85	9	9
Public Bk	2.44	2.38	2.43	2.39
Renong	3.30	3.18	3.20	3.22
Resorts World	6.85	6.75	6.80	6.70
Rothmans PM	26	24.60	25.50	24.90
Sime Darby	6.80	6.65	6.70	6.75
Telekom Mal	10	9.80	10	9.95
Tenaga	8.95	8.50	8.95	8.80
Utd Engineers	11	10.60	10.90	10.80
YTL	4.34	4.20	4.32	4.40

London
FT-SE 100: 5287.90 Previous: 5263.70

	High	Low	Close	Prev.
Abbey Natl	9.72	9.60	9.64	9.67
Allied Domecq	5.28	5.20	5.21	5.22
Anglian Water	8.38	8.20	8.25	8.29
Argos	6.72	6.67	6.71	6.68
Asda Group	1.57	1.55	1.56	1.56
Assoc Br Foods	5.29	5.25	5.27	5.28
BAA	5.97	5.80	5.86	5.88
Barclays	16.56	16.24	16.37	16.27
Bass	8.42	8.35	8.37	8.38
BAT Ind	6.20	5.93	5.93	6.01
Bank Scotland	5.30	5.24	5.25	5.26
Blue Circle	4	3.95	3.96	3.96
BOC Group	11.30	11.21	11.25	11.23
Boots	9.09	8.98	9	9.11
BPB Ind	3.52	3.48	3.49	3.50
Brit Aerosp	17.04	16.85	16.92	16.98
Brit Airways	6.59	6.30	6.35	6.42
BG	2.73	2.68	2.71	2.70
Brit Land	6.85	6.73	6.80	6.75
Brit Petm	9.37	9.20	9.27	9.19
BSkyB	4.74	4.53	4.62	4.57
Brit Steel	1.86	1.82	1.84	1.86
Brit Telecom	4.81	4.46	4.70	4.47
BTR	2.38	2.28	2.34	2.37
Burmah Castrol	11.25	11.10	11.17	11.09
Burton Gp	1.35	1.33	1.34	1.34
Cable Wireless	5.57	5.45	5.48	5.46
Cadbury Schw	6.29	6.10	6.25	6.25
Carlton Comm	5.39	5.27	5.32	5.32
Coml Union	8.67	8.58	8.61	8.65
Compass Gp	6.77	6.73	6.74	6.74
Courtaulds	3.38	3.32	3.33	3.35
Dixons	6.74	6.65	6.68	6.72
Electrocomponents	5.03	5	5.01	5.01
EMI Group	6.26	6.07	6.10	6.11
Energy Group	6.53	6.47	6.47	6.51
Enterprise Oil	7.08	6.91	7.05	6.88
Fam Colonial	1.84	1.82	1.84	1.83
Genl Accident	11.23	11.02	11.22	11.21
GEC	4.09	4.02	4.06	4.03
GKN	14.80	14.45	14.70	14.48
Glaxo Wellcome	15.34	13.43	13.59	13.56
Granada Gp	8.93	8.83	8.87	8.91
Grand Met	6.30	6.24	6.26	6.25
GRE	3.46	3.35	3.42	3.44
Greenalls Gp	3.80	3.75	3.76	3.75
Guinness	6.70	6.22	6.30	6.25
GUS	7.14	7.05	7.09	7.13
Hays	7.54	7.47	7.51	7.44
HSBC Hldgs	19.95	18.53	18.79	18.45
ICI	9.60	9.50	9.54	9.56
Impl Tobacco	3.91	3.85	3.87	3.86
Kingfisher	8.44	8.31	8.37	8.43
Ladbroke	3.10	2.97	3.02	2.98
Land Sec	10.30	10.21	10.25	10.35
Lasmo	2.85	2.80	2.85	2.81
Legal Genl Grp	5.12	5	5.08	5.09
Lloyds TSB Gp	8.04	7.86	7.97	7.91
LucasVarity	2.28	2.24	2.25	2.23
Marks Spencer	6.57	6.24	6.57	6.36
MEPC	5.38	5.33	5.33	5.38
Mercury Asset	14.07	13.95	13.95	14.01
National Grid	2.99	2.92	2.94	2.98
Natl Power	5.68	5.58	5.64	5.49
NatWest	9.40	9.30	9.34	9.29
Next	7.30	7.20	7.26	7.30
Norwich Union	3.64	3.20	3.60	3.55
Orange	2.53	2.49	2.50	2.47
P&O	7.50	7.28	7.41	7.42
Pearson	8.50	8.28	8.38	8.22
Pilkington	1.66	1.62	1.63	1.65
PowerGen	7.67	7.50	7.59	7.54
Premier Farnell	5.17	5.08	5.12	5.11
Prudential	7.04	6.82	6.91	6.99
Railtrack Gp	10.07	9.90	9.93	10.02
Rank Group	3.45	3.35	3.39	3.37
Reckitt Coln	9.99	9.88	9.92	9.93
Redland	3.47	3.38	3.40	3.38
Reed Intl	6.50	6.28	6.46	6.30
Rentokil Initial	2.68	2.62	2.64	2.66
Reuters Hldgs	7.32	7.20	7.25	7.25
Rexam	3.43	3.36	3.39	3.38
Rio Tinto reg	9.88	9.72	9.81	9.80
RMC Group	9.77	9.55	9.77	9.60
Rolls Royce	2.36	2.30	2.32	2.36
Royal Bk Scot	6.90	6.80	6.85	6.86
Royal & Sun All	6.38	5.50	6.26	6.05
Safeway	3.95	3.89	3.92	3.94
Sainsbury	4.77	4.54	4.58	4.60
Schroders	20.30	20.10	20.18	20.20
Scot Newcastle	7.10	7	7.10	7.03
Scot Power	5.01	4.87	4.91	4.97
Securicor	2.90	2.82	2.88	2.82
Severn Trent	9.42	9.35	9.40	9.39
Shell Transp R	4.71	4.64	4.66	4.70
Siebe	12.89	12.77	12.80	12.82
Smith Nephew	1.89	1.86	1.89	1.86
SmithKline	6.20	6.07	6.15	6.14
Smiths Ind	9.47	9.31	9.31	9.47
Sthern Elec	4.78	4.71	4.78	4.75
Stagecoach	7.03	6.90	7.03	6.77
Stand Charter	8.03	7.78	7.85	7.96
Tate & Lyle	4.75	4.67	4.72	4.70
Tesco	4.69	4.57	4.60	4.68
Thames Water	9.03	8.90	9.03	8.93
3i Group	5.16	5.07	5.10	5.09
TI Group	6.90	6.66	6.71	6.90
Tomkins	3.41	3.36	3.39	3.37
Unilever	4.81	4.77	4.80	4.79
Utd Assurance	4.85	4.75	4.80	4.78
Utd News	8.05	7.89	8	7.92
Utd Utilities	7.50	7.42	7.46	7.46
Vendome Lx uts	4.44	4.32	4.35	4.32
Vodafone	3.59	3.50	3.55	3.47
Whitbread	7.93	7.87	7.88	7.92
Williams Hdgs	3.88	3.83	3.88	3.85
Wolseley	5.32	5.19	5.28	5.21
WPP Group	2.79	2.77	2.77	2.80
Zeneca	20.80	20	20.56	20.76

Madrid
Bolsa index: 594.92 Previous: 593.90

	High	Low	Close	Prev.
Acerinox	26200	25900	26000	26000
ACESA	1880	1830	1845	1860
Aguas Barcelon	5880	5810	5880	5860
Argentaria	8500	8350	8450	8500
BBV	4365	4250	4345	4325
Banesto	1425	1395	1410	1415
Bankinter	8100	7800	8080	8140
Bco Central Hisp	2850	2790	2830	2850
Bco Popular	8700	8250	8390	8590
Bco Santander	4480	4340	4440	4425
CEPSA	4520	4450	4510	4460
Continente	2820	2700	2770	2770
Corp Mapfre	7720	7550	7630	7680
Endesa	2890	2795	2800	2865
FECSA	1200	1168	1195	1175
Gas Natural	7350	7110	7170	7160
Iberdrola	1785	1760	1770	1770
Pryca	2555	2460	2540	2515
Repsol	6718	6620	6660	6700
Sevillana Elec	1350	1330	1345	1345
Tabacalera	10230	9850	10100	9880
Telefonica	4340	4265	4340	4200
Union Fenosa	1365	1340	1365	1360
Valenc Cement	2875	2800	2870	2870

Manila
PSE index: 2026.48 Previous: 2040.11

	High	Low	Close	Prev.
Ayala B	14	13.75	14	13.75
Ayala Land	16.50	15.50	16	16.50
Bk Philip Isl	102	101	101	101
C&P Homes	3.60	3.40	3.45	3.65
Manila Elec A	76.50	74	75.50	73.50
Metro Bank	285	272.50	277.50	285
Petron	4.45	4.35	4.45	4.45
PCI Bank	150	140	144	142
Phil Long Dist	940	925	935	925
San Miguel B	50.50	49.50	50	50
SM Prime Hdg	6.80	6.70	6.80	6.70

Mexico
Bolsa index: 5370.38 Previous: 5345.18

	High	Low	Close	Prev.
Alfa A	73.80	73.00	73.40	72.70
Banacci B	24.10	23.50	23.60	23.90
Cemex CPO	40.10	39.00	39.80	39.20
Cifra C	16.74	16.40	16.48	16.64
Emp Moderna	39.20	38.90	39.00	39.05
Gpo Carso A1	65.30	63.80	63.80	64.80
Gpo F Bcomer	3.45	3.40	3.40	3.40
Gpo Fin Inbursa	35.50	34.65	35.00	34.65
Kimb Clark Mex	40.30	40.10	40.20	40.20
Televisa CPO	152.80	150.90	151.10	151.00
TelMex L	20.50	20.00	20.30	19.78

Milan
MIB Telematico: 15981.00 Previous: 15988.00

	High	Low	Close	Prev.
Alleanza Assic	16700	16400	16480	16605
Bca Comm Ital	5390	5260	5315	5335
Bca Fideuram	7350	7360	7320	7235
Bca di Roma	1749	1720	1735	1720
Benetton	29100	28550	28550	28700
Credito Italiano	4790	4685	4710	4735
Edison	9150	8965	8965	9080
ENI	10730	10535	10660	10620
Fiat	6225	6115	6170	6120
Generali Assic	40250	39700	39850	39950
IMI	18115	17820	17945	18000
INA	2675	2625	2630	2665
Italgas	6315	6130	6195	6135
Mediaset	8790	8455	8710	8660
Mediobanca	13940	13765	13840	13860
Montedison	1440	1397	1398	1417
Olivetti	969	956	966	962
Parmalat	2820	2755	2780	2770
Pirelli	5200	5130	5175	5095
RAS	15690	15465	15540	15450
Rolo Banca	25400	25000	25200	24950
S Paolo Torino	14000	13820	13950	14000
Telecom Italia	11520	11200	11240	11505
TIM	7130	6990	7070	7035

Montreal
Industrials index: 3698.62 Previous: 3695.47

	High	Low	Close	Prev.
Bce Mob Com	45¼	45¼	45¼	45.10
Cdn Tire A	29¼	28¾	29¼	28½
Cdn Util A	39.85	39.85	39.85	39.90
CT Finl Svc	45.60	45.10	45.60	45½
Gaz Metro	18.30	18.05	18.20	18.30
Gt-West Lifeco	32¾	32½	32.60	32.80
Imasco	46.45	45.70	46.20	45.70
Investors Grp	44	43.85	43.85	43.80
Loblaw Cos	20.35	20.35	20.35	20.45
Natl Bk Canada	19¾	19.40	19.40	19.65
Power Corp	44	43.60	43¾	43½
Power Finl	42¼	42	42.20	42
Quebecor B	31.20	31.10	31.10	31.15
Rogers Comm B	8.95	8¾	8¾	8.85
Royal Bk Cda	71	70½	70½	70½

Oslo
OBX index: 745.78 Previous: 734.11

	High	Low	Close	Prev.
Aker A	141	138	140	140
Bergesen Dy A	220	218	219	218
Christiania Bk	28.70	27.50	28.50	27.50
Den norske Bk	33.70	32.50	33.50	32.90
Elkem	126.50	123.50	126.50	126.50
Hafslund A	44	43.50	43.50	44
Kvaerner Asa	449	422	446	435
Norsk Hydro	441.50	408.50	417	409
Norske Skog A	252	248	252	251
Nycomed A	179	175.50	176	177
Orkla Asa A	655	644	655	650
Petlm GeoSvc	485	470	485	469
Saga Petlm A	153	149.50	151.50	150
Schibsted	135	130	133	130
Transocean Off	390	385	390	370
Storebrand Asa	56.50	55	56	55

Paris
CAC-40: 2992.87 Previous: 2992.16

	High	Low	Close	Prev.
Accor	1145	1106	1135	1155
AGF	Susp.	Susp.	Susp.	239.80
Air Liquide	968	951	962	961
Alcatel Alsth	815	802	810	810
Axa-UAP	405.90	399.50	405.50	402.90
Bancaire	799	780	796	797
BIC	426.50	416.60	425	422.40
BNP	314	307.50	311	311
Canal Plus	1095	1067	1080	1089
Carrefour	3575	3515	3538	3530
Casino	354	339.10	354	340
CCF	374.90	367	374.30	371.30
Cetelem	691	663	669	679
Christian Dior	749	736	742	741
CLF-Dexia Fran	610	594	603	599
Credit Agricole	1311	1311	1311	1325
Danone	932	909	926	920
Elf-Aquitaine	756	740	754	750
Eridania BS	884	850	884	868
Eurodisney	8.15	8	8.15	8.30
Eurotunnel	6.15	6.05	6.10	6.20
Gen. Eaux	716	706	710	712
Havas	412	402	407.80	405
Imetal	748	725	725	740
Lafarge	410.70	403.50	407.30	403
Legrand	1214	1182	1192	1200
L'Oreal	2385	2251	2379	2408
LVMH	1189	1169	1172	1184
Michelin B	355	344.10	353	350
Paribas A	478.70	462.90	478	455.70
Pernod Ricard	295	285.50	290	295
Peugeot Cit	788	769	772	786
Pinault-Print	2796	2740	2740	2798
Promodes	2084	2055	2084	2060
Renault	173	167.90	168.10	172.60
Rexel	1668	1650	1651	1658
Rh-Poulenc A	269	265.50	269	270
Sanofi	543	526	534	536
Schneider	373.50	365.20	368.30	371.90
SEB	797	780	780	797
SGS Thomson	508	456.20	463	511
Ste Generale	915	903	913	909
Sodexho	3050	2989	3041	3011
St Gobain	908	885	903	897
Suez (Cie)	15.60	15.60	15.60	15
Suez Lyon Eaux	644	620	631	636
Synthelabo	703	671	700	670
Thomson CSF	179.50	176	177.80	180.30
Total B	662	644	659	650
Usinor	120.90	119	119.30	120.70
Valeo	391	379	385.50	383

São Paulo
Bovespa index: 12574.80 Previous: 12830.48

	High	Low	Close	Prev.
Bradesco Pfd	12.30	11.90	12.00	12.20
Brahma Pfd	805.00	780.00	785.00	805.00
Cemig Pfd	61.50	59.50	60.00	61.29
CESP Pfd	98.30	96.00	96.50	97.00
Copel	17.00	16.90	16.90	17.00
Eletrobras	661.00	637.00	638.00	650.00
Itaubanco Pfd	715.00	705.00	705.00	713.00
Light Servicios	490.00	485.10	488.00	488.01
Lightpar	406.00	402.00	402.00	403.00
Petrobras Pfd	320.00	311.00	312.00	319.00
Paulista Luz	195.00	189.50	190.00	190.00
Sid Nacional	42.00	40.50	41.40	41.98
Souza Cruz	10.40	10.35	10.35	10.50
Telebras Pfd	161.00	155.40	155.70	159.60
Telemig	189.00	186.00	186.00	188.00
Telerj	178.00	174.90	176.50	175.00
Telesp Pfd	414.00	404.00	411.00	411.99
Unibanco	44.30	42.50	44.20	42.98
Usiminas Pfd	11.70	11.40	11.40	11.49
CVRD Pfd	27.40	26.60	26.61	26.89

Seoul
Composite index: 579.25 Previous: 604.74

	High	Low	Close	Prev.
Dacom	73000	67200	67200	73000
Daewoo Heavy	5900	5620	5620	6100
Hyundai Eng.	16700	15800	16000	16800
Kia Motors	6500	6400	6400	6800
Korea El Pwr	17800	17300	17700	18000
Korea Exch Bk	4450	4150	4300	4460
LG Semicon	28400	26600	26600	28900
Pohang Iron St	50000	48000	49000	50600
Samsung Display	40300	38000	39100	40300
Samsung Elec	60000	55700	56200	60500
Shinhan Bank	6990	6750	6800	7000
SK Telecom	423000	407000	407500	442000

Singapore
Straits Times: 1804.24 Previous: 1835.83

	High	Low	Close	Prev.
Asia Pac Brew	5.20	5.20	5.20	5.20
Cerebos Pac	4.80	4.56	4.62	4.80
City Devlts	9	8.70	8.90	9.10
Cycle Carriage	8.20	7.45	7.60	8.20
Dairy Farm Intl*	0.94	0.93	0.94	0.94
DBS foreign	16	15.40	15.60	15.90
DBS Land	3.44	3.20	3.28	3.48
Fraser & Neave	8.20	7.95	7.95	8.20
HK Land*	3.24	3.06	3.14	3.16
Jard Mathesn*	7.35	7.20	7.30	7.25
Jard Strategic*	4.02	3.92	3.94	4.04
Keppel A	6.05	5.80	5.95	6
Keppel Bank	3.12	3.08	3.10	3.12
Keppel Fels	5.20	4.60	4.60	5.15
Keppel Land	3.34	3.20	3.32	3.36
OCBC foreign	10	9.60	10	9.85
OS Union Bk F	6.30	6.25	6.25	6.30
Parkway Hdgs	5.40	5.15	5.35	5.35
Sembawang	5.80	5.60	5.60	5.80
Sing Air foreign	11.40	11.10	11.40	11.60
Sing Land	6.35	6.15	6.15	6.20
Sing Press F	22.80	22.10	22.30	22.90
Sing Tech Ind	2.51	2.48	2.49	2.51
Sing Telecomm	2.47	2.37	2.45	2.48
Tat Lee Bank	2.82	2.79	2.81	2.83
Utd Industrial	0.99	0.97	0.98	1
Utd OSea Bk F	11.30	10.30	11.30	10.80
Wing Tai Hdgs	3.04	2.99	3	3.04

*: in U.S. dollars.

Stockholm
SX 16 index: 3506.82 Previous: 3511.57

	High	Low	Close	Prev.
AGA B	119.50	118	119.50	119
ABB A	106.50	104	106.50	107
AssiDoman	245	238	244	244
Astra A	131.50	127	129	128.50
Atlas Copco A	252.50	245	250	253.50
Autoliv	330	319	326.50	321
Electrolux B	671	663	670	670
Ericsson B	368	361	367.50	366.50
Hennes B	318	311	314.50	318
Incentive A	709	702	702	705
Investor B	393	386	389	391.50
MoDo B	282.50	278.50	282.50	281.50
Nordbanken	257.50	251	257	251.50
Pharm/Upjohn	262	253	256.50	261.50
Sandvik B	258	249	255.50	256.50
Scania B	229	225.50	226	229.50
SCA B	185.50	182.50	183.50	187
S-E Banken A	91.50	90.50	90.50	91
Skandia Fors	366	352	365	354
Skanska B	314	306.50	307.50	314
SKF B	235	230	231.50	235
Sparbanken A	179	171	177.50	178.50
Stora A	129.50	128.50	128.50	129.50
Sv Handels A	263	250	256	264
Volvo B	229	225.50	226.50	228

Sydney
All Ordinaries: 2652.80 Previous: 2652.70

	High	Low	Close	Prev.
Amcor	8.18	8.01	8.09	8.20
ANZ Bkng	10.92	10.65	10.92	10.73
BHP	15.40	15.05	15.19	15.46
Boral	4.21	4.12	4.16	4.22
Brambles Ind.	26.45	25.90	26.02	26.41
CBA	16.78	16.65	16.77	16.80
CC Amatil	13	12	13	11.95
Coles Myer	6.89	6.81	6.88	6.85
Comalco	6.59	6.47	6.48	6.59
CSR	5.25	5.10	5.22	5.26
Fosters Brew	2.81	2.76	2.81	2.79
Goodman Fld	2.24	2.15	2.22	2.19
ICI Australia	12.57	12.30	12.52	12.50
Lend Lease	29.54	28.80	29.29	29.55
MIM Hdgs	1.56	1.53	1.55	1.55
Nat Aust Bank	20.40	19.93	20.33	20.10
Nat Mutual Hdg	2.48	2.36	2.46	2.37
News Corp	6.81	6.73	6.80	6.80
Pacific Dunlop	3.64	3.57	3.64	3.70
Pioneer Intl	4.40	4.34	4.37	4.42
Pub Broadcast	8.40	8.15	8.40	8.39
Rio Tinto	19.89	19.74	19.84	19.90
St George Bank	8.32	8.12	8.30	8.26
WMC	5.90	5.64	5.71	5.91
Westpac Bkng	8.69	8.62	8.66	8.66
Woodside Pet	12.50	12.10	12.50	12.17
Woolworths	4.57	4.47	4.57	4.56

Taipei
Stock Market index: 7997.81 Previous: 8162.40

	High	Low	Close	Prev.
Cathay Life Ins	122	120	120.50	120.50
Chang Hwa Bk	91	89	89	91.50
Chiao Tung Bk	69	66	68	69
China Devlpmt	92.50	88	89.50	93
China Steel	24	23.20	23.30	23
First Bank	91	89	89.50	91.50
Formosa Plastic	52.50	51	51	51
Hua Nan Bk	93	91	92	94
Intl Comm Bk	52	50.50	50.50	51.50
Nan Ya Plastics	56.50	55	55	55.50
Shin Kong Life	77.50	75	75	76
Taiwan Semi	149.50	142	145	152
Tatung	30.50	30	30.30	30.10
Utd Micro Elec	79.50	75.50	75.50	81
Utd World Chin	54	52.50	52.50	55

Tokyo
Nikkei 225: 17707.49 Previous: 17331.37

	High	Low	Close	Prev.
Ajinomoto	1060	1040	1060	1060
All Nippon Air	585	573	576	573
Amada	3600	3560	3590	3650
Asahi Bank	705	670	696	685
Asahi Chem	537	513	533	515
Asahi Glass	866	845	849	855
Bk Tokyo Mitsu	1930	1850	1900	1840
Bk Yokohama	515	496	511	495
Bridgestone	3010	2930	3000	2930
Canon	3410	3320	3390	3490
Chubu Elec	2020	1990	2010	2000
Chugoku Elec	1880	1870	1880	1880
Dai Nipp Print	2650	2580	2640	2580
Daiei	609	600	609	602
Dai-ichi Kang	1140	1030	1110	1030
Daiwa Bank	510	473	500	467
Daiwa House	1190	1140	1170	1140
Daiwa Sec	745	735	738	729
DDI	5240a	5180a	5180a	5240a
Denso	2940	2840	2920	2830
East Japan Ry	5800a	5740a	5800a	5780a
Eisai	2170	2110	2120	2200
Fanuc	5030	4920	4980	4980
Fuji Bank	1280	1200	1260	1210
Fuji Photo	5250	5010	5250	4980
Fujitsu	1540	1490	1530	1510
Hachijuni Bk	1180	1170	1170	1180
Hitachi	1090	1060	1090	1090
Honda Motor	4590	4440	4530	4440
IBJ	1350	1260	1320	1280
IHI	262	240	262	246
Itochu	425	390	420	385
Ito-Yokado	6690	6550	6560	6690
JAL	406	402	404	406
Japan Tobacco	1010b	9950a	9980a	1000b
Jusco	2770	2600	2740	2670
Kajima	555	523	550	540
Kansai Elec	2070	2040	2040	2040
Kao	1740	1710	1740	1730
Kawasaki Hvy	353	350	352	363
Kawa Steel	210	191	199	190
Kinki Nipp Ry	674	668	671	669
Kirin Brewery	1020	997	1020	1010
Kobe Steel	137	131	135	133
Komatsu	695	664	693	662
Kubota	429	404	428	414
Kyocera	7520	7150	7450	7120
Kyushu Elec	1930	1910	1910	1920
LTCB	500	459	493	456
Marubeni	358	333	358	336
Marui	2200	2170	2190	2190
Matsu Comm	4370	4250	4310	4100
Matsu Elec Ind	2290	2240	2280	2250
Matsu Elec Wk	1220	1170	1200	1180
Mitsubishi	1150	1100	1140	1110
Mitsubishi Ch	269	255	264	258
Mitsubishi El	465	446	460	446
Mitsubishi Est	1750	1710	1740	1730
Mitsubishi Hvy	666	656	662	678
Mitsubishi Mat	603	585	595	585
Mitsubishi Tr	1810	1700	1810	1720
Mitsui	995	957	993	967
Mitsui Fudosn	1630	1590	1620	1640
Mitsui Trust	493	456	488	476
Murata Mfg	5650	5550	5650	5480
NEC	1540	1500	1530	1510
Nikko Sec	1860	1730	1780	1880
Nikon	488	475	488	488
Nintendo	11800	11600	11700	11400
Nipp Express	667	647	655	648
Nippon Oil	527	504	525	509
Nippon Steel	257	249	256	250
Nissan Motor	679	659	670	660
NKK	168	159	167	161
Nomura Sec	1610	1560	1600	1590
NTT	1130b	1090b	1120b	1110b
NTT Data	6440b	6310b	6440b	6300b
Oji Paper	625	599	621	594
Osaka Gas	271	260	269	270
Ricoh	1820	1770	1800	1800
Rohm	14400	14400	14400	14500
Sakura Bk	584	546	570	557
Sankyo	4070	3990	4050	3980
Sanwa Bank	1420	1300	1410	1370
Sanyo Elec	439	394	439	394
Secom	8760	8600	8750	8600
Seibu Rwy	4500	4440	4500	4500
Sekisui Chem	885	851	885	845
Sekisui House	1050	1010	1050	1030
Seven-Eleven	9350	9250	9340	9300
Sharp	1040	1010	1040	1050
Shikoku El Pwr	1900	1860	1870	1870
Shimizu	549	533	544	521
Shin-etsu Ch	3480	3350	3480	3400
Shiseido	1840	1810	1830	1830
Shizuoka Bk	1290	1260	1290	1290
Softbank	3810	3310	3570	3540
Sony	12100	11800	11900	11800
Sumitomo	869	844	856	848
Sumitomo Bk	1670	1590	1660	1620
Sumit Chem	443	424	440	423
Sumitomo Elec	1820	1760	1800	1780
Sumit Metal	270	257	270	261
Sumit Trust	1170	1040	1140	1090
Taisho Pharm	3230	3190	3210	3240
Takeda Chem	3830	3690	3830	3690
TDK	11600	11200	11400	11200
Tohoku El Pwr	1930	1890	1890	1910
Tokai Bank	869	825	863	830
Tokio Marine	1430	1380	1420	1420
Tokyo El Pwr	2230	2190	2220	2200
Tokyo Electron	8670	8300	8670	8310
Tokyo Gas	274	261	266	269
Tokyu Corp.	511	488	511	494
Tonen	1010	971	1010	979
Toppan Print	1690	1660	1670	1690
Toray Ind	674	652	669	660
Toshiba	620	588	617	594
Tostem	1870	1790	1870	1800
Toyo Trust	965	930	960	935
Toyota Motor	3950	3810	3890	3830
Yamanouchi	3110	3040	3090	3050

a: x 100; b: x 1,000

Toronto
TSE Industrials: 7108.84 Previous: 7128.90

	High	Low	Close	Prev.
Abitibi Cons.	23.70	23¼	23¼	23.65
Alberta Energy	34.10	32.80	32.90	32.90
Alcan Alum	45.20	44.90	45.05	44.85
Anderson Expl	16.35	16.20	16.20	16.30
Bk Montreal	58.90	57.65	57.85	58.15
Bk Nova Scotia	65¼	63.90	64.20	64¼
Barrick Gold	32.85	32.15	32¼	32.55
BCE	43.70	42¾	42.65	43.30
BC Telecomm	36.95	36.60	36¾	36½
Biochem Pharm	43.70	43	43.55	42.80
Bombardier B	28.95	28.60	28.60	28.70
Cameco	51.65	51.65	52¼	52¼
CIBC	40.05	39.60	39.70	39.70
Cdn Natl Rail	77.80	76.85	77.60	77.30
Cdn Nat Res	43¼	42.60	42.60	42.90
Cdn Occid Pet	38.60	37.80	37.90	37.80
Cdn Pacific	43.40	42.30	42.40	43.20
Cominco	33	32.55	32.55	32.85
Dofasco	25.40	25½	25.60	25.45
Domtar	11.85	11¼	11¼	11.80
Donohue A	31¼	30¾	30¾	31.05
Du Pont Cda A	34½	34	34	34½
Edper Brascan	26.20	25.95	25.95	26
EuroNev Mng	26½	25.80	26¼	25¾
Fairfax Finl	355	333	340	355
Falconbridge	23.95	23½	23.80	23.65
Fletcher Chall A	22.65	22¼	22½	22.55
Franco Nevada	35.95	35¼	35½	35.45
Gulf Cda Res	12.80	12.65	12.70	12.60
Imperial Oil	85½	84.45	85.20	85
Inco	32	31.55	31.95	31.85
IPL Energy	54½	54.20	54.35	54¼
Laidlaw B	21.20	20.80	20.80	21.05
Loewen Group	38.80	37½	37.40	38.40
Macmill Bldl	19.60	19¼	19.30	19.20
Magna Intl A	101¼	99¼	99½	100
Methanex	11.95	11¼	11.85	11.90
Moore	26.35	26.10	26.10	26.15
Newbridge Net	89.30	87.15	87.35	88.40
Noranda Inc	26.20	25.80	25.85	26.05
Norcen Energy	34½	34	34.30	34¼
Nthern Telecom	153¾	149½	150	150.15
Nova	11.70	11.60	11.65	11.60
Onex	35½	35.15	35.45	35¼
Pancdn Petlm	26¼	25.80	25.90	26.20
Petro Cda	27.55	26.55	26.90	26½
Placer Dome	26	25.10	25.20	25.85
Poco Petlm	13.40	13.05	13.15	13.30
Potash Sask	117.90	116.05	116.05	117.40
Renaissance	34.80	34.10	34.10	34¼
Rio Algom	27¼	26.65	27¼	26.70
Rogers Cantel B	24	24	24	23½
Seagram Co	49¼	48.80	48.80	49.55
Shell Cda A	26.60	26.15	26.30	26.05
Suncor	53¼	52.60	52¾	52.30
Talisman Eny	51¼	50.65	51¼	50.40
Teck B	26.35	25.15	26.05	25.05
Teleglobe	51.95	51.45	51.65	51.40
Telus	28.80	28.40	28.80	28.40
Thomson	34	33.60	33.70	33½
TorDom Bank	49	48.20	48.30	48.40
Transalta	18.85	18.55	18¼	18.55
TransCda Pipe	27¼	26.90	27.20	27
Trimark Finl	78¼	77	77	77.45
Trizec Hahn	36.65	36.30	36½	36.40
TVX Gold	8.20	7.95	7.95	8.20
Westcoast Eny	29	28.85	28.85	29
Weston	103	100	103	100½

Vienna
ATX index: 1423.42 Previous: 1433.78

	High	Low	Close	Prev.
Boehler-Uddeh	1063	1046	1053	1064.75
Creditanst Pfd	749.80	736	742.50	748.40
EA-Generali	3170	3135	3170	3170
EVN	1500	1481	1494	1500
Flughafen Wien	525.30	520	525	522
OMV	1890	1849	1852	1878
Oest Elektriz	933.50	925	930.50	932.80
VA Stahl	599.50	585	590.45	600.50
VA Tech	2518	2465.80	2474.90	2518.20
Wienerberg Bau	2590	2565	2588.40	2569

Wellington
NZSE-40 index: 2686.14 Previous: 2684.69

	High	Low	Close	Prev.
Air NZeald B	4.07	4.03	4.07	4.08
Brierly Invt	1.37	1.36	1.36	1.37
Carter Holt ord	3.57	3.52	3.56	3.58
Fletch Ch Bldg	5.33	5.28	5.32	5.30
Fletch Ch Eny	7.95	7.85	7.93	8.10
Fletch Ch Forst	1.88	1.86	1.87	1.87
Fletch Ch Paper	3.17	3.12	3.16	3.17
Lion Nathan	3.93	3.92	3.92	3.95
Telecom NZ	8.28	8.17	8.25	8.17
Wilson Horton	11.35	11.35	11.35	11.35

Zurich
SPI index: 3702.94 Previous: 3706.79

	High	Low	Close	Prev.
ABB B	2225	2186	2188	2220
Adecco B	537	524	528	531
Alusuisse R	1445	1426	1439	1434
Ares-Serono B	2635	2502	2585	2600
Atel R	865	861	861	861
Baer Hdg B	2380	2350	2380	2358
Baloise Hdg R	2344	2318	2340	2344
BK Vision	1302	1295	1298	1296
Ciba Spec Chem	147.25	144.50	145.25	146.75
Clariant R	1185	1172	1181	1168
Crd Suisse Gp R	219	216	218	217.25
Elektrowatt B	536	535	536	536
Ems-Chemie	7020	6975	6975	7000
ESEC Hdg	4300	4100	4290	4350
Holderbank B	1393	1361	1383	1377
Liechtenst LB B	566	566	566	566
Nestle R	2134	2103	2123	2130
Novartis R	2299	2270	2290	2287
Oerlikon Bueh R	195.50	188	195	191
Pargesa Hld B	1820	1770	1800	1780
PharmaVisn B	894	885	890	891
Richemont A	1928	1915	1915	1910
Pirelli PC	335	323	324	334
Roche Hdg PC	12685	12520	12680	12615
SBC R	398.50	392.50	394	397.50
Schindler PC	1765	1743	1750	1750
SGS B	2960	2890	2905	2825
SMH B	910	894	905	906
Sulzer R	1178	1152	1160	1172
Swiss Reins R	2194	2141	2159	2188
Swissair R	1948	1918	1948	1927
UBS B	1748	1722	1735	1735
Winterthur R	1599	1564	1582	1570
Zurich Assur R	638	609	612	626

The Trib Index
Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	177.85	-0.24	-0.13	+19.25
Regional Indexes				
Asia/Pacific	117.45	+2.74	+2.39	-4.84
Europe	196.98	+0.26	+0.13	+22.20
N. America	207.47	-3.40	-1.61	+28.14
S. America	178.26	-1.29	-0.72	+55.78
Industrial Indexes				
Capital goods	222.36	-1.61	-0.72	+30.10
Consumer goods	198.65	-1.01	-0.51	+23.06
Energy	208.49	-1.09	-0.52	+22.13
Finance	130.78	+1.12	+0.86	+12.30
Miscellaneous	188.53	+1.01	+0.54	+16.53
Raw Materials	182.45	+0.14	+0.08	+4.03
Service	170.73	-0.73	-0.43	+24.33
Utilities	171.21	-0.36	-0.21	+19.34

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

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NASDAQ

Thursday's 4 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press

NYSE

Thursday's 4 P.M. Close

(Continued)

صكناس الاجل

China Says It Will Buy 30 Boeings

Other U.S. Deals Likely Next Week

Bloomberg News

BEIJING — China will buy at least $1.7 billion worth of planes from Boeing Co. when a trade delegation visits the United States next week, the deputy manager of China Aviation Supplies Corp., the agency that imports planes, said Thursday.

Other American companies that could land big orders from China include General Electric Co. and Foster Wheeler Corp., which are vying to supply equipment for a power plant.

The announcement of the Boeing deal came two weeks before President Jiang Zemin makes a state visit to Washington, and suggested that Beijing was trying to mute criticism of its mounting trade surplus with the United States.

The deputy manager of China Aviation Supplies, Xu Dengying, said the order would be for 30 planes, mainly single-aisle 737s. They sell for between $40 million and $50 million each. He said more orders might be in the works.

The sale, the subject of speculation for weeks, would help blunt Airbus Industrie's inroads in the world's fastest-growing aviation market.

Boeing, the world's biggest commercial planemaker, has 70 percent to 80 percent of the Chinese market. Airbus, the European consortium, won a $1.5 billion order in May.

Chen Jiande, a Boeing spokesman in Beijing, said, "All I can say is that nothing has been signed yet."

Boeing's dominance notwithstanding, China's trade surplus during the first seven months of 1997 topped $25.9 billion, a third larger than in the like period last year. Only Japan has a larger trade imbalance with the United States.

General Electric Co. and Foster Wheeler Corp., meanwhile, are vying to supply turbines and boiler equipment, respectively, for the third phase of the Dezhou power plant, which is owned by Shangdong Huaneng Power Development Co.

Senior officials in Beijing of the Anglo-French GEC-Alsthom consortium and Deutsche Babcock AG of Germany said they had been elbowed out of the running for the $300 million-plus project.

Korean Grads Give Job Market a 'D'

Bloomberg News

SEOUL — Song Shi Hyuk will finish college this year and is getting a tough lesson in Economics 101, Korean-style: He is one of hundreds of applicants for a job in Seoul.

Mr. Song, 23, knows he will be lucky to get through the door at the Shinsegae Department Store Co.

"At first I thought they were joking," said Mr. Song, who is still waiting to hear if he will get an interview.

Corporate Korea cannot afford jokes these days. A slack economy, spreading bankruptcies and what some analysts say is a banking crisis are causing South Korean companies to tighten their belts.

In a country where many people expect to land and keep a job for life, jobs are suddenly scarce. Rising unemployment has blanketed South Korea with job anxiety unseen in almost a generation.

Prospective new graduates like Mr. Song face the toughest job market in 17 years, economists say. Worse, these young people must compete with thousands put out of work by a string of bankruptcies among the country's big industrial groups, or *chaebol*.

With the economy growing at its slowest pace in four years, Korean companies are taking steps that would have been unheard-of a decade ago. Among them are hiring part-time workers, forcing people to retire early and dismissing workers outright.

Instead of written tests — the standard way to select new graduates — companies are spending more time in interviews to recruit.

Right now, it is a buyer's market.

South Korea's unemployment rate may rise to about 3.2 percent this year, topping the government's forecast of 2.8 percent, economists said.

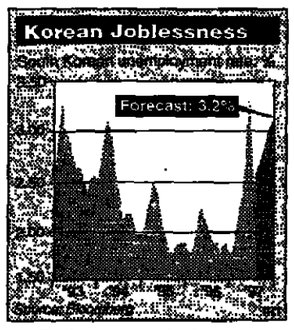
That may seen low for some Western countries, where unemployment can top 10 percent, but for many Koreans the notion that they may have trouble finding and keeping a job is a shock.

At the heart of the problem is the slowest economic growth in four years. A spate of bankruptcies saddled banks with billions of dollars in bad debts, making them even more reluctant to lend to companies in trouble.

Just this week, Hanbo Group dismissed some 1,000 workers, two-fifths of its force. The steelmaker collapsed this year under $6.4 billion of debt.

At Kia Group, another troubled chaebol, thousands more have quit in search of a secure future elsewhere. About 12 percent of Kia's 60,000 workers quit since July, a spokesman said.

For many of these people, job security may be elusive.



"We've never had so many phone calls and visits," said Yeom Sang Hun, a human resources official at Shinsegae. "We never had to reprint applications forms so many times."

New graduates are having the toughest time.

According to a report by the employment agency Recruit, three out of four university graduates will not find a job by the end of the year. Last year, two out of three graduates could not find work that quickly.

Last week, 50,000 job-seekers turned up at a two-day job fair in Seoul.

Kim Hyun Sang, a job counselor at Chungnam National University, summed up the job market this way: "We're in an ice age."

In the past six years, South the Korean unemployment rate has fluctuated between 1.8 percent and 3.4 percent. Yet the combined total of new job openings for college graduates is about 80,000 — while 324,000 graduates will pour out of universities this year, up 20 percent from last year.

The number of job-seekers jumps to 600,000, considering those trying for a second post.

The 30 largest industrial groups, meantime, will offer 13,680 to 13,780 jobs, down as much as 13.2 percent from a year earlier.

And the chaebol say they will keep cutting back.

Eighteen out of the top 30 chaebol, including seven in the top 10, said they would reduce new hires this year. The top 30 chaebol account for more than half the country's economy.

Dismissals will not help. Five of Korea's top 30 chaebol, including Hanbo Group and Sammi Group, either went bankrupt this year or are on the brink.

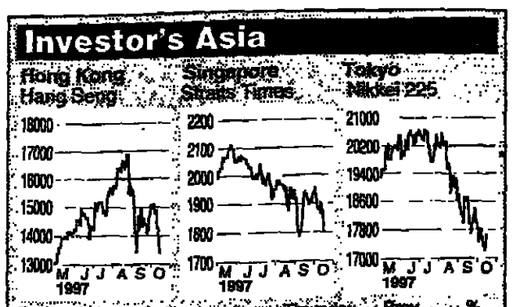
For Seoul's leaders, all this is a political hot potato, especially with elections due in December.

Korea's young people, meantime, must try to get along in the new downsized economy.

Lee Jung Hwa, a senior at Duksung Women's University who is majoring in math, said she hoped to land a job at Daewoo Motors Service Co.

"It's a mission impossible," Miss Lee said.

Investor's Asia



Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,567.28	13,384.24	+1.37
Singapore	Straits Times	1,804.24	1,855.08	-2.74
Sydney	All Ordinaries	2,653.08	2,653.78	-0.03
Tokyo	Nikkei 225	17,707.48	17,331.37	+2.17
Kuala Lumpur	Composite	802.02	801.52	+0.06
Bangkok	SET	531.58	535.59	-0.75
Seoul	Composite Index	579.25	604.74	-4.22
Taipei	Stock Market Index	7,997.81	8,262.40	-3.20
Manila	PSE	2,036.48	2,040.11	-0.18
Jakarta	Composite Index	517.09	518.92	-0.35
Wellington	NZSE-40	2,606.14	2,606.69	-0.02
Bombay	Sensitive Index	4,047.85	4,034.56	+0.31

Source: Telekurs International Herald Tribune

Very briefly:

• **Taiwan** increased the amount of stocks foreigners can own to 30 percent from 25 percent and cut banks' reserve requirement ratios up to 1.5 percentage points in a bid to shore up the island's slumping stock market.

• **Southeast Asian** economic officials said their countries would emerge from the currency turmoil more powerful than before and with stronger economic foundations. Trade ministers from the Association of Southeast Asian Nations said they were confident of their prospects because they still enjoyed strong economic fundamentals, abundant investment opportunities and sound economic policies.

• ***Hitachi Ltd.*** raised its consumer electronics prices by 5 percent to 15 percent in Indonesia, Malaysia and Thailand to counter losses arising from the countries' weakened currencies. Prices for **Matsushita Electric Industrial Co.'s** consumer goods will increase in Indonesia, Thailand and the Philippines.

• ***Defense Asia '97***, a military trade show drawing regional top brass, opened in Bangkok amid hopes of expansion of defense spending in Asia despite an economic slowdown.

• **Aristocrat Leisure** said its chairman and chief executive, John Dougall, would leave the troubled Australian maker of gaming machines Oct. 31 due to Colorado Gaming Commission allegations, which he denied. The allegations include unsuitable parties having an influence on the company, Aristocat has said, and irregularities relating to South American sales.

• **VSLI Technology** and **BI Walden International** of the United States have joined **Khazanah Nasional Bhd.** and **Bank Industri Bhd.** of Malaysia in a joint venture to build a $1.2 billion silicon-wafer fabrication plant in northern Malaysia.

• **Temasek Holdings Pte.**, a Singapore government investment arm, and **China Everbright Holdings Co.**, an investment arm of the Chinese government, have started a direct investment fund to put money into major industrial enterprises in China.

• **7-Eleven Japan Co.'s** current, or pretax, profit rose 7 percent, to 59.15 billion yen ($486.8 million), for the six months ended August, as it shrugged off a sales slump that has battered other retailers' profits. *AP, AFP, Bloomberg Reuters*

Tung Pitches Privatization to Japanese

Hong Kong Leader Asks for Help in China's Sale of State Companies

Compiled by Our Staff From Dispatches

TOKYO — The Hong Kong leader, Tung Chee-hwa, asked Japan on Thursday to join forces with Hong Kong to speed up China's ambitious plan to privatize 350,000 state-run businesses.

Mr. Tung said that reforming government-owned enterprises "obviously is a tremendous undertaking by the People's Republic of China, and there will requirements from the point of view of fresh capital and expertise."

"Hong Kong certainly looks forward to participating and I imagine that the Japanese companies will be very interested in this," Mr. Tung said here after meetings with Japanese business and political leaders.

Prime Minister Ryutaro Hashimoto agreed that Japan should play a major role in China's economic reforms, but he also said China should speed efforts to join the World Trade Organization, which would help its drive toward market reforms.

China has been trying for more than a decade to gain access to reduced tariffs under rules governing the WTO and its predecessor, the General Agreement on Tariffs and Trade. The United States and the European Union say China should be denied entry until it opens its markets more.

Japan's position has been ambiguous. At times it has insisted that China agree to open its markets wider to foreign competition as a condition for admission. At other times, it has implied that it is prepared to accept the concessions Beijing has already offered to gain entry. *(Reuters, AFP, Bloomberg)*

■ China Telecom Sale Closes

Hong Kong's biggest share flotation, a spin-off of Beijing's state-owned China Telecom (Hong Kong) Ltd., closed Thursday, Agence France-Presse reported from Hong Kong.

The sale could raise up to 32 billion Hong Kong dollars ($4.14 billion), with the listing to start Wednesday. But it comes as Hong Kong-listed shares of Chinese companies, known as red chips, have been sliding.

Porsche Cuts Out Japan Importer

Bloomberg News

TOKYO — Porsche AG said Thursday that it would take control of the shipping of its cars into Japan, severing a 45-year agreement with its Japanese importer, Mizwa Motors Corp., and that it aimed to double its Japanese sales.

Mizwa, which Porsche hopes will continue to distribute its cars in Japan, said it would sue the German luxury sports car maker for breaking the "spirit' of their contract, though not its actual terms.

Porsche said it would take over delivery of its cars in Japan starting Jan. 1 and would expand its showroom network in its third-largest market after Germany and the United States. The company is hoping Japanese sales will exceed 4,000 units a year within four years.

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هكذا من الاصل

Fashion

Voyage Round the Female Body for Fashion's New Blood

By Suzy Menkes

Moore/Thomas

From left, Demeulemeester's swathed dress and 'right arm' message; flower-embroidery and tailoring from Guy Laroche, Miyake's fabric invention.

PARIS — Two stories are dominating the new fashion season: a fresh take on the female body and the regeneration game.

Guy Laroche had a hit Thursday with the whimsical, feminine collection of Alber Elbaz. In his second season, the designer blew out the dust of the couture house with a show that was spring clean.

And now another French couture house, Jeanne Lanvin, will announce Friday its new designer, poached from Prada. Spanish-born Christina Ortiz, 31, trained at the Paris fashion school, and Miuccia Prada's right hand for the last two years, will show her first collection next season.

So much expectation is resting on the new generation, and it is a good moment for fashion when hopes are fulfilled. It happened at Laroche. Everything about the show was right, from the moment that sweetly smiling models, faces gleaming with good health, circulated the cylinderlike backcloth of white-as-a-bandage fabric.

Elbaz said that his inspiration was Saint Moritz spa in spring, and his show captured precisely a chilly prettiness and a sanitarium cleanliness in the crisp cotton shirts and the gentian-embroidered camisoles that went with youthful tailoring. That meant regular jackets with perky pleated skirts or cropped pants that are this season's story.

Those mountain flowers also grew from the hems of dainty tulle dresses that were stars of the show. The way that Elbaz used vertical decoration like flower stems or a line of sparkles to give an axe to the body was well done.

But then Elbaz was trained by a master. Fragile, high-waist dresses showed the seven years the designer spent with Geoffrey Beene. But mostly it was his own light-hearted take on the woman's body — never overtly revealed, but always suggested under the spun-sugar layers, worn over delicate slips. A palette of spring green, lilac and edelweiss blue was well chosen and cotton evening dresses struck a high note at night.

From Issey Miyake's mummified swathes of gauze through Ann Demeulemeester's block letters on the calf announcing, Magritte-style, "left leg" — there is one uniting theme of the disparate spring shows: a voyage round the body. Getting close to the female form with drapes, slithers of jersey, slits, wraps or cut-away backs is the essence of modernity. Stiff clothes with their own sculpted forms are out.

The key to all this is the dress. When Issey Miyake, a designer known for inventive sportswear, changes tack and envelops women gracefully in gossamer shrouds and filmy layers, it marks fashion's change of pace.

Miyake is the originator of the current fashion aesthetic that innovation can be in fabric rather than changing forms. This season materials were sometimes futuristic, resembling bubble-packaging, cellophane candy wraps or the cratered surface of the moon — but used simply as slender, swathed dresses spun round the body in a silken cocoon.

Or, conversely the fabrics were plain Indian cottons, but padded at the rounded points of the female anatomy or the bump of shoulder bone or rib cage. The former was easier to take. Who needs buttock-enhancing or tricksy effects of arms apparently growing out of the thighs like some sci-fi skin graft?

But the show was clear in its message and poetic in its vision, especially its pale stucco tints like dawn-pink or apricot, with other bright hues. It marked a forward step for Miyake.

Ann Demeulemeester's show also had some weird contrivances: shirts that unfurled from the side of another garment, doubling over at the front and baring the back in a fashion conjuring trick. It was part of the designer's continuing dialogue with modern deshabille — a slouchy elegance that comes from the off-key neckline (a jagged cut-out on a sweater), the deliberately-snagged mesh sweater or the low-slung pants. Sometimes the sweet disorder turned into disarray, as the soft jersey skirts slipped down mid-runway.

But the body language was well expressed in Demeulemeester's fluid mix of sloppy tailoring and soft dresses. She cuts inimitable pants, low-slung, twin-zippers showing when a jacket or shirt was split at the back. And just in case we hadn't got the message that her soft clothes were creating liquid geometry across the body, the designer spelled it out, with "right arm" or "left leg" written on nude gauze or skin.

The off-key look was also theme of Gilles Rosier's collection of easy knitwear pieces slopped off the shoulder or dresses literally cut with a twist. Here, too, the effects were often contrived, but Rosier is an inventive cutter, and when the pieces worked they slithered neatly in their asymmetry. His use of latex and diagonal zippers also had a spunky modernity.

From the moment that Claude Montana's first model came out in a perspex baseball cap, you knew that the designer was still into grand gestures in luxury sportswear. And if you judged the collection as that — without questioning who still likes the look — the show was elegantly done.

Montana had attenuated the silhouette and by adding slender dresses to his repertoire, caught up with modern fashion. Sort of. His favored fabrics are still leather and crepe, and however sleekly cut, seem to sculpt the body rather than lap it. The best of the show were fluid tunics and pants that Sylviane Jospin, wife of France's prime minister, ticked on her program.

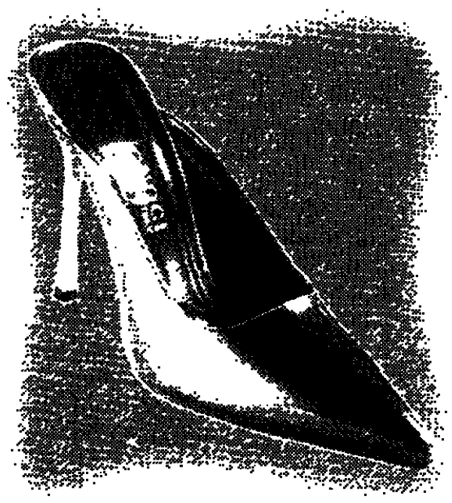
With Montana's habitual attention to detail, a silver snake tourniquet or leather wrist band matched silvered dresses and a magenta hand-piece went with a cut-with-a-scalpel purple dress. You could describe it as the diametric opposite of modern fashion's body-caressing ease.

A bunch of nude models suddenly appeared at the end of Sonia Rykiel's runway. Shock! Consternation! Camera! But relax — it was just Rykiel's saucy way of showing that she is up to speed with the current focus on the body, the dress and her favorite knitwear. The models were wearing nude-colored sweater dresses, while others wore hug-me-tight jersey jeans, cropped à la mode. Oversize rapper pants from Rykiel? An old trick, but they set off a treat her taut and tiny signature sweaters that are again so hot.

SUZY MENKES is fashion editor of the International Herald Tribune.

High Heels and American Blues

By Robin Givhan



Gucci spikes: A love-hate affair for American women.

WASHINGTON — The shoes looked positively threatening on the Gucci runway. The toe-box came to a sharp, unforgiving point. If it weren't for the pounding soundtrack that accompanied the models and those shoes down the catwalk, one suspected it would be possible to hear bones being crushed inside those evil pumps.

But that was merely the beginning.

The heels on those shoes were like shiny, angry, silver needles. If they went on for 4 inches, they might as well have gone on for a mile. They were spikes, instruments of torture and impossible to walk in.

Indeed, professional models teetered as they carefully picked their way down the runway. They tried to swing their hips. They tried to exhibit a bit of sensual nonchalance. But they could not. All they could do was focus on trying to keep their balance.

Ah, but those shoes were so sexy. They didn't speak of practicality, of office work or of dashing for the subway. They were completely ridiculous, fabulously inappropriate and that was the beauty of them . . . and also the problem.

The shoes might go over well in the old country, but in the United States?

American women have an ambivalent relationship with high heels.

'People say to me Patti
You don't sing the blues.
I tell them they're wrong
Cause I sing the blues each time
I wear these shoes.
I love to wear some high heel shoes.

Any podiatrist will explain the dangers of wearing high heels. They damage the toes, the legs and can put strain on the back. They throw the posture out of alignment. They make the derriere protrude. They prevent most women from walking briskly and confidently, instead forcing them to shorten their stride and concentrate on remaining upright on treacherous pavements.

These, of course, are all reasonable explanations for why a woman wouldn't wear high heels on a regular basis. They do not explain, however, the veritable vitriol that flows at the mere mention of a pair of heels on a special occasion.

"Crippling!" "Torture!" "Why not just bind our feet!" There even seems to be trepidation in distant admiration. It is as if the mere hint of approval will result in a woman being lashed into a pair of death-defying Manolo Blahniks.

In Europe, it is possible to spot women dashing across cobblestone roads in the spindliest of heels. In Washington, women tie on the Nikes and Reeboks for all of their dashing needs. But lest one assume that high heels are merely uncomfortable shoes, understand that to American women they are much more.

"High heels connote victim," says Valerie Steele, author of "Fetish" and professor at New York's Fashion Institute of Technology.

"It's not just a question of comfort or practicality, I think all of what Americans perceive as issues of comfort is inextricably mixed up with issues of sexuality . . . and the idea that things like high heels and short skirts are turning women into sex objects and making you vulnerable," Steele says. "Most Americans see it as a choice between being taken seriously or being sexual."

Without doubt, a pair of extremely high heels conjure up a sort of overt, aggressive sexuality that is sneered at in the United States. Stilettos turn the American imagination, accompanied by an almost adolescent giggle, toward the domineering women of Helmut Newton photographs, the dominatrix, the prostitute, the "loose" woman. Could this be a reflection of a nation that still approaches issues of sexuality with one eye closed out of embarrassment?

"It's an incredibly coded debate about sexuality," Steele says. "It used to be about should women be allowed to be sexual. Now it's should women permit themselves to look sexual."

The rising tide of conservativeness in the United States also raises a debate about how obviously sexually powerful a woman should be. Some see high heels as a symbol of how women are manipulated and controlled; others read the high heel as a virtual symbol of female sexual potency.

Despite the angry letters to fashion magazines and the harrumphs of disgusted callers, though, high heels never disappear. Whether the height of fashion as they are now, or a stubborn trend, they can always be found on American streets. But not without apology or disclaimer. Many short women explain that they wear heels to give themselves a little boost in height. Other women do it because they are from the old school of femininity; heels simply are what one wears with a dress. Elizabeth Dole, for instance, is a diehard wearer of heels.

And then there is that vast middle group of women. They are conflicted. They will admire the shoes from afar, until they can resist the temptation no longer. They buy them, wear them, and then complain about them.

'I walked into the store.
The man came up to me.
I told him to bring me all
The high heel shoes my eyes could see.

'He brought me out those shoes
And I put them on my feet.
And the minute I stood up
I knew that this was no place
for my poor, poor feet to be.'

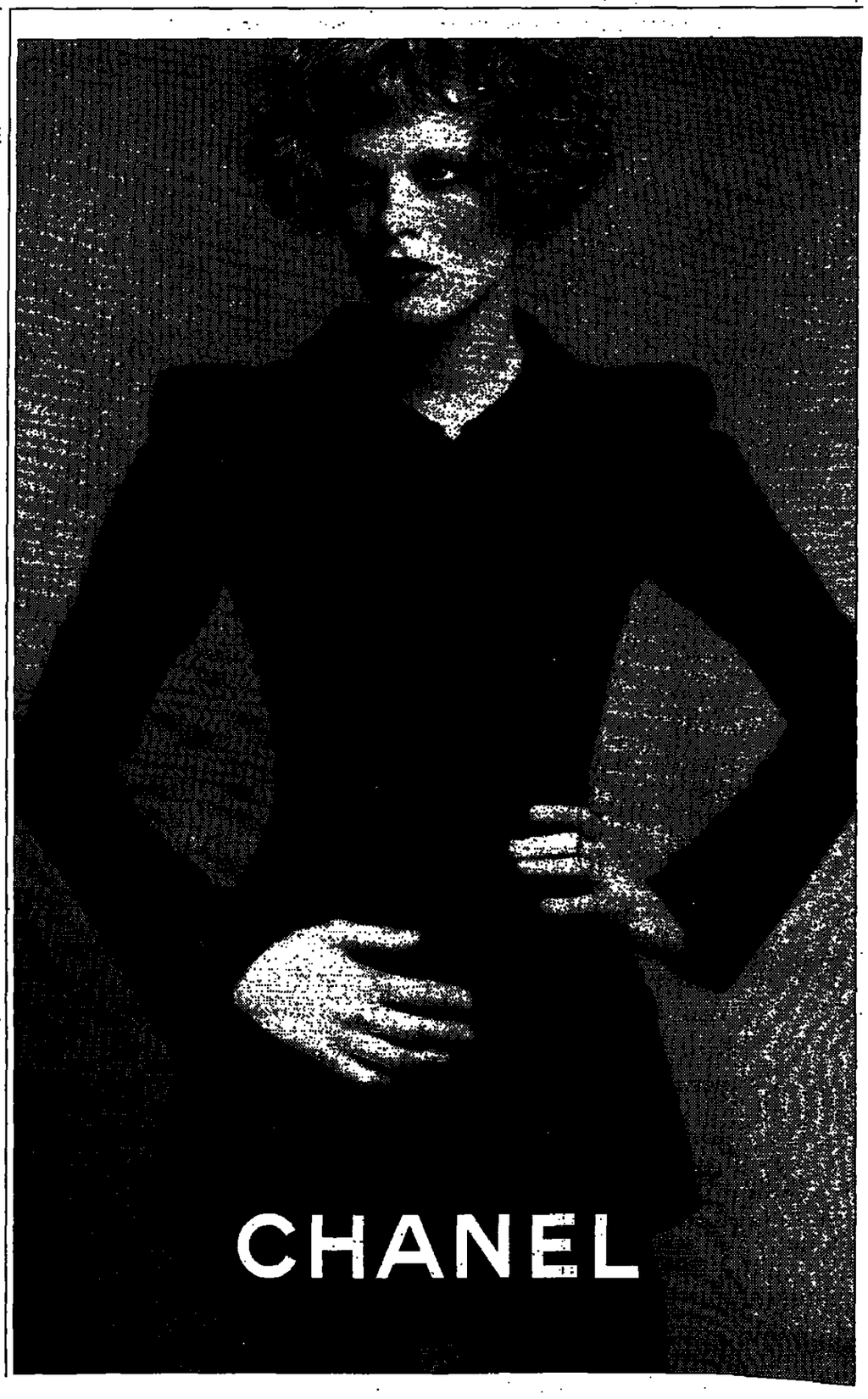
From "High Heel Blues"
by Tuck & Patti

"I just bought my first pair of Manolo Blahniks," says Ann Cochran, of Maryland. "Ah, they were beautiful. When I saw them, I went, 'Wow!' "

The objects of Cochran's desire, purchased for a bargain on a trip to Chicago, were 3-inch high, spindle-heeled slingbacks. "To wear a stiletto, well, everyone wants to look sexy. And there's nothing like a sexy high heel to transform your leg. You look different. You feel different."

"I wore them to dinner," Cochran says. "I was tortured."

ROBIN GIVHAN writes about fashion for The Washington Post.



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FASHION / A SPECIAL REPORT

In Italy, a New Generation of Women Shows Off Power

As designers and business managers, Italian women are creating a new, more feminine mood in fashion. From left, Donatella Versace, Miuccia Prada, Alberta Ferretti, Mariuccia Mandelli and Angela Missoni taking a bow.

By Lucie Muir

MILAN — According to Donatella Versace, "Behind every great woman there's another great woman." She might be right, in Italy at least, where a band of sassy signoras have taken the leading positions in design, retail and marketing. It's been a long struggle over 10 years but today it finally seems the girls are getting what they want, what they really, really want. Girl power.

Thanks to Miuccia Prada, Miss Versace, Mariuccia Mandelli of Krizia, Laura Biaggotti, Alberta Ferretti, Donatella Girombelli of Genny to name a few, Italian womenswear is in pole position. According to results published by Moda Industria, Italy's knitwear and clothing manufacturers association, total sales of womenswear in 1996 amounted to 20.2 trillion lira ($11.7 billion) up 4 percent on 1995.

As to the rise of women designers, Franca Sozzani, editor in chief for Italian Vogue, says, "Women in the design field have developed great business minds. They have become a lot more oriented in finding solutions to the problems." In Donatella Versace's case, quick solutions have been found after the murder of her brother Gianni in July. She has proved herself to be more than capable in her new position as creative director for the company. All eyes were on her during the Versus and Versace runway shows earlier this month in Milan, where just a day before schedule she admitted to being "terrified," and to be missing her brother more than ever. "Gianni always listened to what I had to say when designing a collection. He saw me as a voice for all women. We worked as a team and inspired each other."

As part of the company's new direction, four graduates from London's Central St. Martins College of Art & Design have been picked to work alongside Donatella Versace on the Versus and Versace lines. "Gianni loved to hear what those around him thought as he believed strongly in an exchange of creative ideas. Now I'll have to learn to confront my work through my designers and exchange my own ideas within a new team," she says.

Her forthcoming designs will portray a new woman.

"I'll be following the new feminine way in which women are dressing," she says. "Women don't want to look like dolls anymore, they want to look sensual without looking brash. They want less color, even better cuts for more comfort and, in the case of the career woman, clothes which can work through from day to evening."

"I'm inspired by everyday women. Women with families, women out at work in the city. My brother always said that one day women will rule the world. He may have been right!" she laughs.

After 40 years in the business, Krizia's Mariuccia Mandelli also has a new dynamic woman in mind. She was one of the first women designers, amid Giorgio Armani and Gianfranco Ferre, to launch Italian ready-to-wear at the beginning of the 1970s. "Women have come a long way since then," says Mandelli.

"Today I design for active women who like myself are always on the go, who travel, who hurry in and out of planes and cars. They have an intense lifestyle, and they like to look good in practical clothes which are comfortable and pleasant to wear but also fun."

The 1980s also saw the rise of women designers as businesswomen. Donatella Girombelli, president of the Genny group which owns Genny, Complice and Byblos labels, gained a reputation for being a fierce businesswoman who's known to make sharp decisions. She recently signed the American Richard Tyler to design Byblos.

"It's clear to see how women have changed over the years through our different designers," says Girombelli. "I remember, when Claude Montana designed for Complice in the '80s, the large shoulders and androgynous shapes which reflected an aggressive woman of the time. Then in 1987, Complice went to Dolce & Gabbana who showed that women could be sexy and provocative."

Girombelli notes how Genny's current designer Rebecca Moses keeps things simple. "Of all the movements so far I like this minimalist look the best. Rebecca is very now in her interpretation of today's woman. Through simple cuts and subtle colors, she shows a new intelligent person who has a lot to say from within."

Some attribute the rise of women in fashion to this new sense and sensibility such as Daniella Puppa, an established industrial designer and architect who also designs accessories for Gianfranco Ferre. "Nowadays a collection designed by a woman has such deep femininity within it's almost as if it contains a female DNA which instantly makes a woman want to buy it," says Puppa.

And retailers agree. Pupa Solari, who was the first to stock Antonio Fusco in her high-end Milan boutique, adds, "It seems that women have learned to accept their flaws and are buying softer clothes which compliment their spirit and personality."

ALBERTA Ferretti's delicate dresses sum up the new mood. "I have always believed in having the capacity to balance fashion with what women desire, so I always let my feminine instinct guide me," she says.

Putting the feminine touch to clothes runs in the family at Missoni, where Angela Missoni, daughter of the design duo Ottavio and Rosita, has taken over as design director of the fabled knitwear house. "Working with my mother gave me insight into the construction of clothing and how vital it is for a woman to feel and look special," says Missoni, who has given the label a fresher edge.

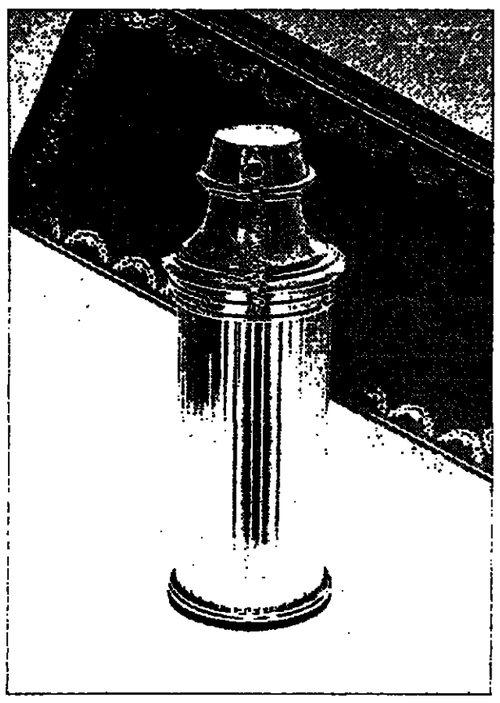
It's a family affair at Armani, where Giorgio's women include sister Rosanna and nieces Sylvana and Roberta. As head designer for Emporio Armani and Armani jeans, Sylvana notes, "Men and women are now considered even in the creative field. The barriers and pressures we once faced have now come down."

While Rosanna, who is responsible for the Armani image, adds, "As women in fashion we do everything we can to give others a sense of modernity and at the same time protect them from the aggressive time in which we live."

Things are looking good for women in fashion promotion. As one of the toughest PRs around, German-born Karla Otto took charge of Prada's global image in 1992. She opened her Milan office in 1978. Today she is responsible for Prada in France and Jil Sander and Alberta Ferretti in Italy. "When I first started, most designers had internal public relations offices which were mostly run by men. Now the majority of free agents in Italy are women."

On fashion she says, "Today Italian design is run by a new generation of women led by Miuccia Prada, who design for those who appreciate fashion but also want traditional elements at the base of a garment. Prada instinctively knows that women want beautiful fabrics, great cuts and all things feminine."

LUCIE MUIR is a fashion writer based in Milan.



In Search of the Perfect Perfume

Synthetic Ingredients Increasingly Part of the Mix

By Michele Loyer

PARIS — The most neglected sense, the sense of smell, is also the most intriguing. Smells can trigger very remote, sometimes forgotten, memories buried in the unconscious. Each person's sense of smell and taste in perfume is unique. Creating a "universal" perfume which resonates in the "collective unconscious" remains a marketing dream.

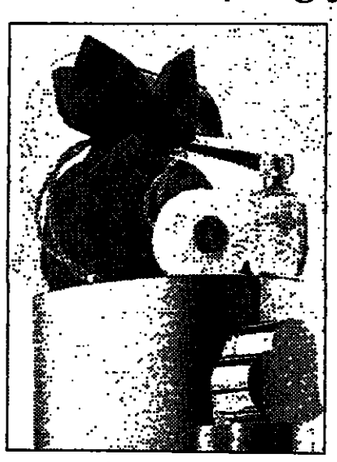
"A woman who does not wear perfume has no future!" said Coco Chanel who, in 1921, created her first perfume — No. 5 — a sophisticated "juice" signed by Ernest Beaux. Besides traditional ingredients such as Grasse jasmin, May rose, and ylang-ylang, the perfumer used, for the first time in the history of perfumes, a synthetic molecule called aldehyde. It's that molecule which gives No. 5 its unique personality. By relying on chemistry instead of nature, Ernest Beaux started a revolution. Increasingly, synthetic molecules are replacing natural ingredients.

"It's a question of price and ecology, but, above all, synthetic molecules give perfumers endless creative possibilities," says Pierre Bourdon, perfumer and owner of Fragrance Resources, a perfume company. Seventy-five years later, thanks to its creator's avant-garde imagination, and Marilyn Monroe's famous repartee, Chanel No. 5 continues to be the world's best-selling fragrance. Every 30 seconds there is a bottle of No. 5 sold somewhere in the world.

Although it seems absurd to talk in terms of trends about something as permanent as one's sense of smell, a perfume's turnover is incredibly rapid. Perfumes, like fashion, become obsolete or too popular. "Today, too much success can kill a perfume almost as surely as no success at all," says Bourdon. Few of the hundreds of perfumes launched every year can count on more than a two-year lifespan.

WOMEN are lost in the maze of new perfumes which invade cosmetic counters. "All perfumes smell alike! You can't tell one from another" is the most common remark heard by perfumes sales clerks these days. Some of the blame can be put on the fierce competition between cosmetic groups to find the miracle "global" formula.

Bourdon says, "The stakes have become so high — a perfume launch costs around $30 million to $50 million — that no one wants to take a chance and be different. It's easier to be a follower than a precursor." The catch-22 is that, precisely because of the saturation of the market, originality has become the key factor in the success of a perfume. Yet, many cosmetic companies continue to ape the latest successful fragrance, hoping to reap some of its market shares.



Yvresse by Yves Saint Laurent.

Second only to Chanel No. 5 in sales figures on the French market, Angel — designer Thierry Mugler's unusual and extremely successful concoction — has generated a flock of similar fragrances.

LAUNCHED in 1992, Angel's composition is based on vanilla, chocolate and caramel, with a touch of a "dewberry" synthetic molecule. The novelty of its fragrance struck the market as no less than revolutionary. Its strong and sweet undertone started a new trend defined as "gourmand" or "figurative" by the trade. Far from a traditional image of luxury and sophistication, the gourmand perfumes evoke a familiar world of simple pleasures and casual sensuality.

SABINE Chabert, editor in chief of the trade magazine Cosmetic News, says, "For teenagers, the smells of chocolate, coffee or apple pie have the same emotional connotation as the smell of rose or jasmin have for their mothers. They remind them of their childhood. It's a kind of security blanket."

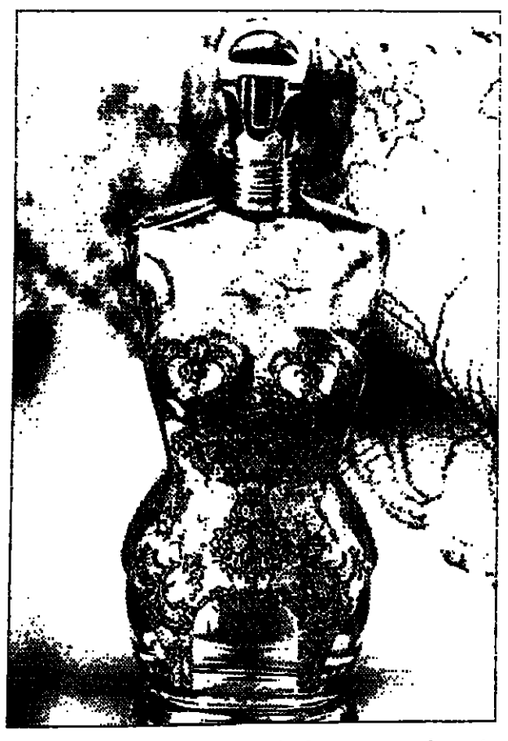
The same emotional response can be triggered by fruit smells such as blackberry, apple or fig and a few ingredients like patchouli, a favorite of the '70s "flower children." The composition of the gourmand perfumes tends to be simple. Preference is given to strong olfactory effects with long-lasting power.

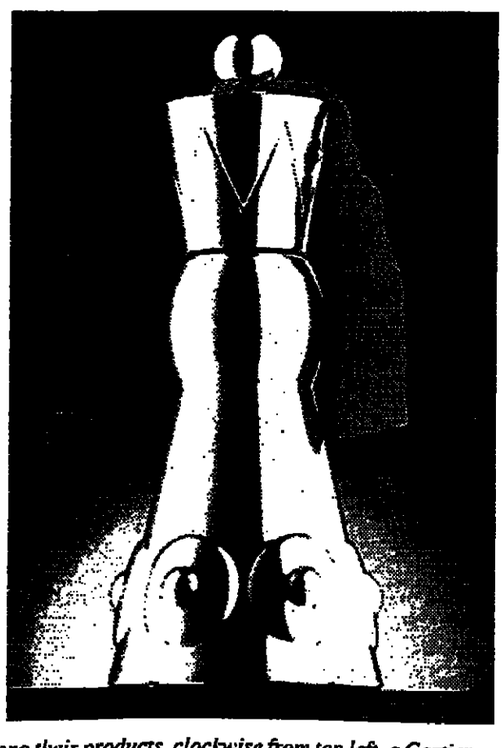
The ecological movement has been credited for the arrival five years ago of a new trend in perfumes: often unisex, light and fresh "green" waters, whose most successful example is Estee Lauder's Alliage and Ean d'Issey created by the Japanese fashion designer Issey Miyake. Colorless, their fragrance evokes fresh spring water and sea mist. On its way out in Europe, the green trend is still strong in a modified, more floral and feminine version in the United States. Pleasures by Estee Lauder and CK1 by Calvin Klein, both extremely successful at the international level, belong to the green family.

After country and kitchen smells, what will the next perfume industry's concoction be? Perhaps a return to a more classic femininity. The gourmand story is already being tampered with to become a light and sophisticated "Neo-Oriental," a trend originated a few years ago by Dior's Dolce Vita or Givenchy's Organza. The fashion designer Lolita Lempicka's recent perfume epitomizes this new spirit. Half floral, with violet and iris essences, and half gourmand, with vanilla, licorice and amarena cherry, its fragrance evokes a youthful femininity. It brilliantly answers the marketing brief's recommendations for "a fairy tale for grown-up women."

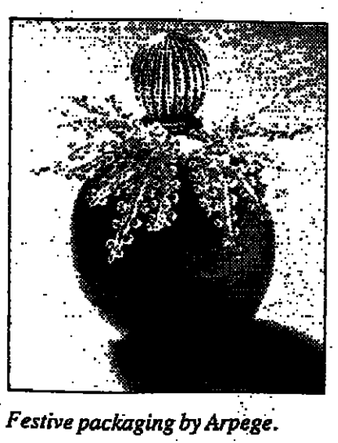
Unperturbed, Shalimar, the ancestor of the gourmand perfumes launched by Guerlain in 1925 — a heady fragrance of vanilla, tonka bean, iris, opoponax and benzoin — continues to be a best-seller with teenagers as well as with their mothers and grandmothers.

MICHELE LOYER is a freelance journalist based in Paris.





Competition is fierce among the fragrance makers. Among their products, clockwise from top left, a Cartier purse spray, a Givenchy selection, Paloma Picasso's Reine de Noel and Jean-Paul Gaultier's Lace Corset.



Festive packaging by Arpege.

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FASHION / A SPECIAL REPORT

A blouse, left, or even a total look, center, are among the wide range of womenswear and accessories offered by Mango at its Paris boutiques. At right, a Zara boutique shopfront in Paris, where first Zara store opened in 1989.

Ready-to-Wear Labels From Spain Quietly Infiltrate Paris

By Pat McColl

PARIS — "Without trumpets or drum rolls" — as the French say — Spanish ready-to-wear has quietly and quickly become a fashion force here with, in the vanguard, the Zara boutiques.

The first Zara opened in Paris in 1989 on the Avenue de l'Opera. Today, there is a Zara on the Rue de Rivoli, the Rue de Passy, in the Passage du Havre and one under construction on the Rue de Rennes, kitty-corner from Giorgio Armani's Emporio Armani, also under construction. An in-store Zara at Au Printemps is one of that store's best-selling lines.

"Even though they are all around us," said Catherine Royer, fashion director of Au Printemps, "we've never been bothered and while our customers are more or less the same, there is no competition." She attributes Zara's success to its twice weekly deliveries which allow it to keep on top of fashion as well as its quality and competitive pricing.

As Maria Jesus Garcia, a spokesperson for the Inditex group which owns Zara explains from company headquarters in La Coruna, Spain: "We don't do advertising or marketing. We don't do runway shows. We have a team of 40 designers who travel constantly to keep on top of trends, new fabrics."

About 65,000 meters (200,000 feet) of fabric are cut daily in Zara's Spanish factories.

Zara boutiques carry no backup stocks; instead they rely on twice weekly deliveries that allow slow moving items to be quickly replaced with faster moving ones.

"We can change literally to give customers what they are asking for," said Garcia. "One week, it's beige wool suits but, if all of a sudden, customers ask for orange with flowers, we can do that, too."

From its beginnings as a factory workshop in a northwestern corner of Spain in 1963 to the first Zara boutique 12 years later, the group now known as Inditex Holding Company/Zara has become the largest ready-to-wear manufacturer in Spain, employing more than 5,000 workers and with consolidated 1996 sales of $1.19 billion.

"In the beginning, we just did one-size-fits-all," said Garcia. "Now, we've augmented our size range from 38 to 44. Our boutiques have changed, too, from a rather casual approach to the current upmarket look."

Upmarket, too, is the "face" of Zara, the model Amber Valetta, more often associated with Prada or Giorgio Armani advertising campaigns. Poster-size images of Valetta are used in store displays by Zara. Mango, with more than 278 shops worldwide, from Peru to Dubai, is a more recent addition to the Spanish boutique scene in Paris, opening its 1,500-square-meter (16,000-square-foot) flagship on the Boulevard des Capucines in February of this year, its 26th boutique in France.

Like Zara, Mango has an in-store boutique at Au Printemps which the department store opened before Mango's own Boulevard des Capucines location.

Unlike Zara which also has collections for menswear and children, Mango is uniquely womenswear and accessories, from sunglasses to shoes to handbags. A total look can be had for under $300. Stocks are changed every six weeks.

To appeal to the trendy customer it wants, Mango advertises in magazines like Vingt Ans and Elle and fills its catalogues with supermodels photographed by such top fashion photographers as Mario Testino or Marc Hispard.

Founded in 1984 in Barcelona, Mango now ranks fourth in the Spanish textile hierarchy.

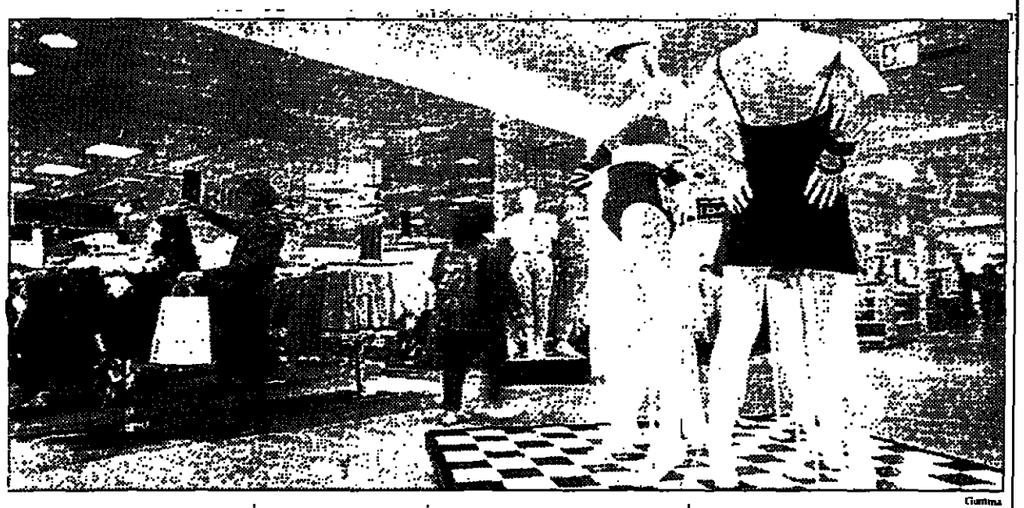
Long before Zara and Mango came to Paris, there was Adolfo Dominguez who, in 1968 at the age of 18, created La Societe Adolfo Dominguez with his father and brother. Dominguez opened his first Paris boutique just off the Place des Victoires 12 years ago on the Rue Catinat.

After a long hiatus, a three-level boutique for menswear and womenswear, designed by Richard Bofils, opened on the Place de la Madeleine in the summer of 1996. This summer a third boutique opened with a fourth under construction. In Spain, there are now 80 Adolfo Dominguez boutiques and since March of this year, he has been listed on the Spanish stock market.

Dominguez describes his style as "seasonless and in a functional tradition as originated by Chanel and followed by Balenciaga." (Balenciaga, the Paris couturier who died in 1992 , was also Spanish.) Dominguez gave up on runway shows years ago but is planning to present his new collection in his Place de la Madeleine boutique on Sunday. Also in the works are fragrances and a line of cosmetics.

Another hot Spanish label that has yet to find its own boutique is Cimarron, with shops-within-shops on the junior floors at Au Printemps and Galeries Lafayette. This season, Galeries Lafayette tripled its Cimarron space.

PAT MCCOLL is a Paris-based journalist who specializes in shopping and fashion topics.



Gamma

Putting a healthy zest of fun into the fashion floor with a striking display at Bloomingdale's in New York.

New York Buyers Go Upmarket

By Jennifer Steinhauer

NEW YORK — Fashion never really dies in New York retail stores, though it has been known to go on an extended holiday. When high-end goods were taking a sales breather in recent seasons, bridge lines were more than happy to fill in. Suddenly, it seemed that every designer had a lower priced line, and department stores reported their bridge lines were flying out of the stores.

Now, it seems, the tables have turned.

Price fashion is once again offering something new, and even the die-hard Gap girls are crawling out of their casual cocoons to buy a little something in cashmere, a single high-slit skirt, or one pair of knee-high boots.

True fashion victims are in their element: women making $24,000 are putting together three paychecks for a pair of foot-fracturing Manola Blaniks, and if a designer only makes four of one dress, you can be sure one of them will be sold in New York City. Further, the key high-end suit designers, serving up uniforms to women who work, are also enjoying strong autumns.

Conversely, many bridge collections have been struggling, perhaps because women with money to burn are finding more basics among the high-end collections, and those who do not have grown weary of the cheap fabrics and short-term life spans that many bridge collections offer.

"Sometimes the relationship between quality and price are not what they should be with bridge," said Joseph Boitano, the executive vice president of ready-to-wear at Bergdorf Goodman.

More and more retailers are turning to their own private label lines to generate sales. Because these lines eliminate the middle man, they tend to be more profitable. Often too, retail executives say, they are able to develop and market their in-house labels as true brands, with a collection feel and a target customer who is reached through extensive marketing campaigns once reserved only for the Ralph's and Calvin's.

Some of the private labels sold in finer stores are made in the same factories as Prada or other high-end labels, so the quality of the goods tends to be higher than that of a designer's second line.

For example, at Barneys New York, private label now makes up more than 30 percent of women's apparel sales. Bergdorf Goodman started its own women's collection this year, and Federated Department Stores has put a lot of resources into its private label lines, which represent 18 percent of women's sales now, up from about 5 percent five years ago.

Saks Fifth Avenue dumped much of its career clothes a few years ago, opting to beef up its own lines instead.

So while high-end lines drive traffic in the stores, much of it lands at the cosmetics' counter and never makes it into the designer salons. A booming stock market has kept the designer business popping this fall, but retailers are smart enough to realize that should the market bottom out, so too shall their sales of high-end apparel.

Private and small labels can pick up the difference.

Also, many women feel confident enough about their personal style to cherry-pick their way through private label and designer merchandise, and New York retailers say that high-end suits are drawing customers, as are a few key designers.

At Barneys New York, for example, which had suffered several quarters of sluggish sales, fall has ushered in a whole new boom in various segments of the business, said Bonnie Pressman, the company's fashion director. "So far, this season has been amazing," said Pressman. "Everything from the highest-priced designer goods to basic shirts have been having impressive sell-through."

While the suit business is clearly strong, the 1980s shoulder padding is clearly not attracting as many shoppers as the looser fits and more conventional cuts. "Shapes that don't hug the body are doing very well," said Kal Rutenstein, the fashion director at Bloomingdale's. "The whole power suit was a pretty silly thing I think."

Several New York retailers cited Jil Sander, Giorgio Armani and Ralph Lauren's Purple Label as leading the sales in high-end suits. Cashmere, knits and other comfort fabrics are also selling smartly.

AN interesting trend is the emergence of a strong following of Dolce & Gabbana in the specialty stores that carry the line. "This has been explosive," said Pressman. "They definitely have a clientele committed to them now. Although they still do a lot of feminine pieces, they have some of the best jackets on the market."

While fashion magazines are pressing the notions that sleepwear is great for the office if worn beneath a jacket and that frothy, over-the-top dressing is the height of modernity, these trends have yet to be borne out on the retail selling floor.

"We are doing very well with dressed up, elegant clothes," said Boitano of Bergdorf Goodman. "And when trends are done beautifully, they sell well."

JENNIFER STEINHAUER covers retail for The New York Times.

New Protocole gold on gold.

Sculpted and guilloché in 18 carat yellow or white gold, the Protocole on gold bracelet distinguishes itself by a choice of five different dials. It is available with a mechanical or electronic movement.

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Two displays from a Paris exhibition to celebrate 100 years of creations from Shiseido. Japan's biggest cosmetics maker; at right, foreign cosmetics, such as Guerlain and Chanel, on sale in Tokyo where prices remain high.

Why Making Up Is Hard to Do for Cash-Conscious Japanese

By Velisarios Kattoulas

TOKYO — Tell almost any Japanese woman about an imminent trip overseas, and one of her first responses — after a sigh tinged with envy — is likely to be a coy request: "Could you perhaps bring me back some perfume, cleansers, eyeliners and lipsticks?"

No, Japan is not North Korea, Bhutan or any other hermetic kingdom where cosmetics are virtually unheard of. To buy anything from the latest vitamin-enriched face creams to classic lipsticks, eye shadows and perfumes from the world's top cosmetics makers, women need only visit the cosmetics halls at department stores across Japan.

Yet nearly five years after Japan's towering cosmetics prices were supposed to start sliding into line with the rest of the world, prices here remain stubbornly high — by some estimates expensive foreign lines sell for as much as double what they cost in Europe, the United States and other parts of Asia. Worse, after falling in 1993, prices of both foreign and Japanese cosmetics have started to creep back up again.

"The drop in cosmetics prices [in 1993] was trumpeted as a symbol of deregulation in Japan," said Keiko Sasaki, who follows Japan's 1.4 trillion yen ($11.5 billion) cosmetics market for ING Barings Securities in Tokyo. "But prices haven't fallen as expected because Japanese cosmetics companies still retain tremendous influence on retail prices."

Prices of cosmetics stay stubbornly high.

For Japanese women, 1993 looked like a landmark year. The planned abolition of tariffs aimed at imported cosmetics coincided with a court ruling clamping down on price-rigging by Japanese cosmetics makers. Together, the two events seemed to herald the end of sky-high prices for everything from the latest face cream from Japan's biggest cosmetics maker, Shiseido, to perfumes and lipsticks from Chanel and Revlon.

But the Japanese government, under pressure from the nation's biggest cosmetics makers, backtracked on plans to lift a ban on a slew of chemical compounds commonly used in cheaper foreign cosmetics. That effectively derailed plans to import cheaper foreign cosmetics to Japan, and, by stifling fresh competition, helped Japanese cosmetics makers keep prices high.

At the same time, Japan's lingering economic woes prompted discount stores selling cosmetics cheaply to raise prices.

For years, Japan's top cosmetics makers maintained high profits by setting suggested retail prices, and tacitly threatening to cut supplies to stores that undercut those prices. As Japanese authorities looked the other way, Shiseido, Kanebo and Kosethe, which dominate the Japan's cosmetics market, earned hefty profits at the expense of Japanese women.

That only started to change in the early 1990s, when discount retailers opened in Japan for the first time. To carve themselves a slice of what is the world's second biggest cosmetics market, some discount stores undercut cosmetic companies' suggested retail prices by as much as 40 percent.

MOREOVER, when cosmetics makers halted deliveries to them in protest, the discount stores took their war for market share to the courts. And after one messy battle that included allegations of bribery by a top executive at Shiseido, the courts upheld the discount stores' rights to set cosmetics prices freely.

To Japanese women tired of being squeezed by behemoth cosmetics companies and department store chains, the end of high prices appeared nigh. But the intransigent weakness of Japan's economy since that court victory in 1993 hurt sales at discount retailers, and they cut discounts on cosmetics almost as quickly as they had introduced them to protect their own floundering profits. "These days the biggest discount from the suggested retail price of cosmetics is around 20 percent, and that's only on cheaper items," Sasaki of ING Barings said.

Women buy overseas to get better bargains.

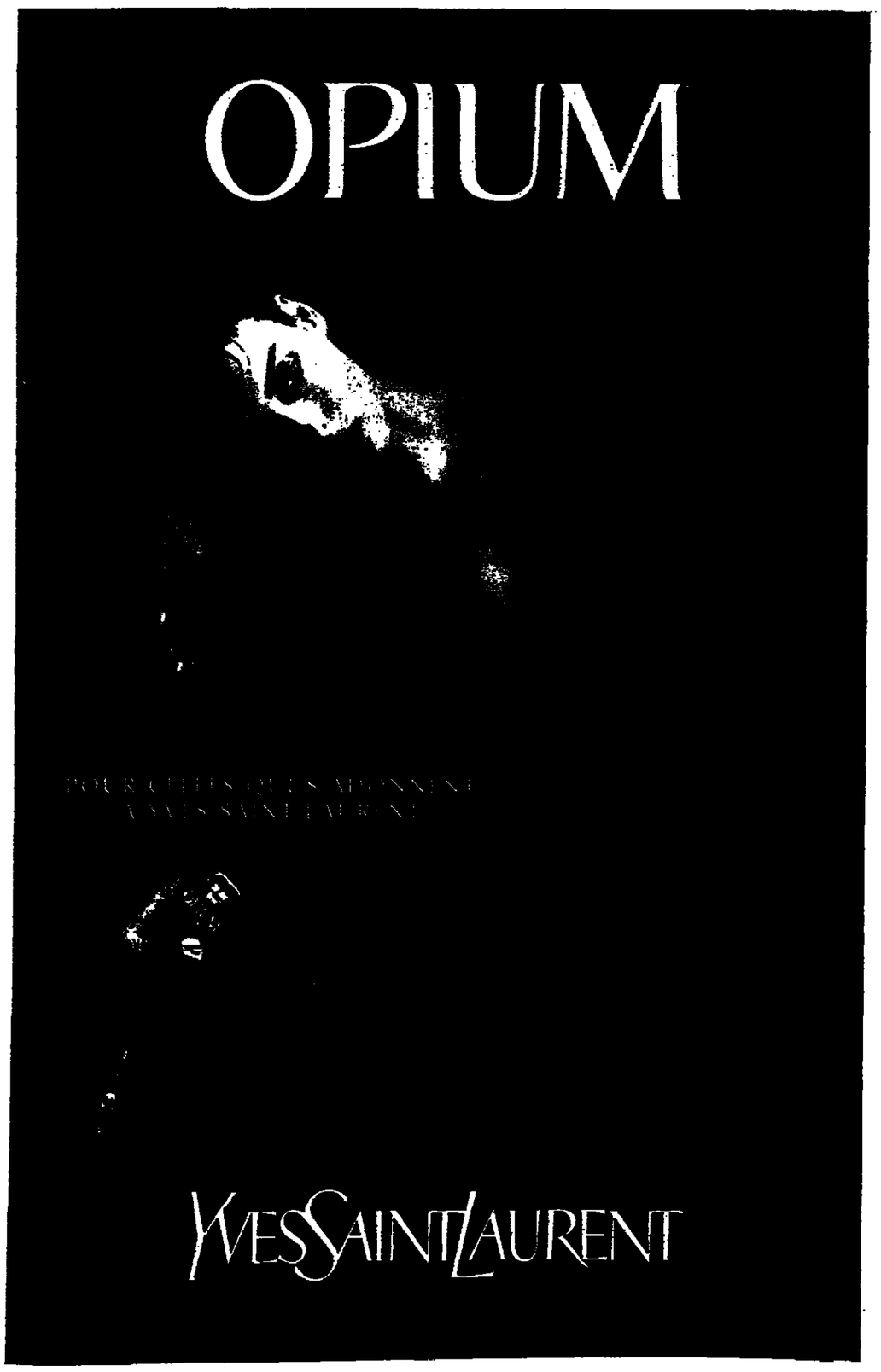
Last month, Maki Uematsu, who manages a bar and restaurant in central Tokyo, visited Hong Kong. In less than a week, she had spent the equivalent of 100,000 yen on cosmetics, and returned home with a suitcase-full of perfumes, creams, lotions and cleansers. She gave away a third as gifts, and kept the rest, which she said should last her for two to three months. "I use a lot of body care products," she said and laughed.

SHE said that at the very most cosmetics in Hong Kong cost three-quarters what they cost in Japan, and that items on sale cost less than half what they cost here.

"Buying cosmetics in Japan is ridiculously expensive," said Uematsu, 27, who often asks friends working for airlines to bring cosmetics back for her from overseas.

"For a while, it was fairly cheap buying cosmetics at discount stores here, but they're expensive again, and it's become cheaper shopping overseas again."

VELISARIOS KATTOULAS is a correspondent in Tokyo for the International Herald Tribune.



'Red Scrub' Enjoys a Revival

TOKYO — Beauty treatment fads come and go in Japan like the seasons: with heady fanfare when they arrive and barely a whisper when the next one overtakes them. This decade alone, Indian and Thai massage, and a plethora of other treatments have come and been and slipped away.

Yet in the midst of the perennial change, a beauty treatment first popular here in feudal times has weathered the shifting winds of popularity. Moreover, in the past three years, *akasuri* — a full-body massage-cum-body-rub which literally means "red scrub" — has undergone a small revival.

"Akasuri is supposed to make your body red," said Hiroshi Kiyotake, an akasuri expert at Gaien, a beauty treatment salon in central Tokyo. "You clean and warm up your body by bathing and taking a sauna and then have any remaining dirt, bacteria and dead skin removed with an abrasive cloth. It makes you feel unbelievably clean."

Long-time practitioners like Kiyotake are slightly puzzled by akasuri's renewed popularity. But they say that its different components tie in strongly with Japan's centuries-old love of decadent bathing and painstaking cleanliness.

At the same time, akasuri, which is supposed to combat low blood pressure and bad circulation, has undergone a revival among men and women hit by Japan's weak economy, practitioners say. At 5,500 yen ($45) for a 30-minute rubdown and unlimited use of the sauna and baths, akasuri is markedly cheaper than Western beauty treatments for women and massages for men.

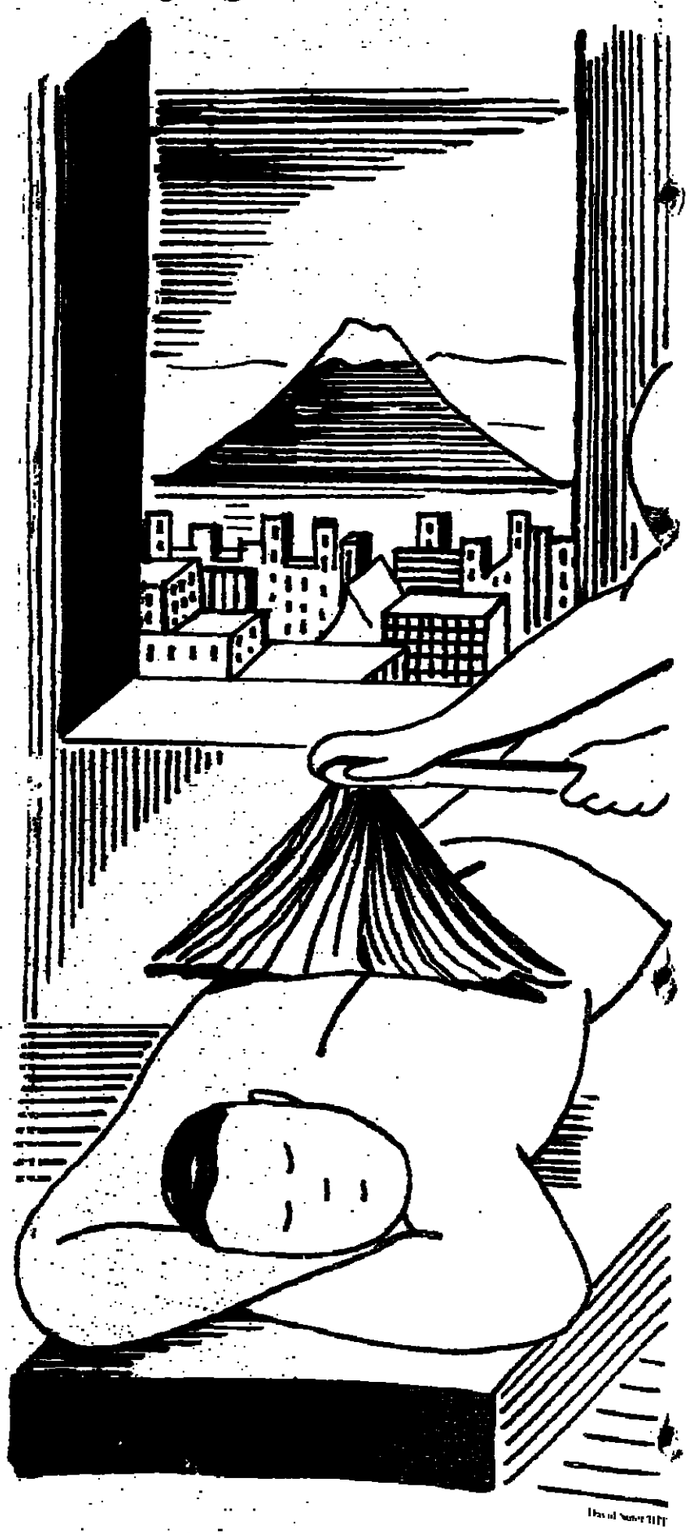
The first record of akasuri in Japan dates to the 19th century, when woodblock artists depicted it in contemporary bathhouse scenes. Typically, one stylized male figure sat on a low wooden stool in a spacious bathhouse while another wearing a loincloth stood over him and scrubbed his back.

Nonetheless, like many other elements of Japan's cultural heritage, akasuri is thought to have originated on the Korean peninsular. Partly as a result, and partly because of a recent string of Indian, Chinese and other ethnic fads here these days, akasuri in Japan is almost always billed as Korean-style akasuri — although the two are identical.

The Gaien beauty treatment salon where Kiyotake works is an ugly five-story building overlooking one of the expressways that twist through central Tokyo. Once in the basement bath, sauna or adjacent massage room, however, the roar of expressway traffic is supplanted by the sounds of running water and masseurs scrubbing weary salarymen and tired office ladies.

For people reluctant to leave behind the bliss of the bathhouse, a Korean restaurant on Gaien's upper floors offers a last, fleeting respite from the maddening crowds of urban Japan.

Velisarios Kattoulas



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WORLD ROUNDUP

Williams Drops Villeneuve Appeal

FORMULA ONE The Williams team on Thursday dropped its appeal against the one-race ban for its driver Jacques Villeneuve, giving Michael Schumacher a one-point lead going into the season's final race.

The action came one day after Max Mosley, the president of the International Automobile Federation, said the Canadian driver could be banned from the season-ending European Grand Prix in Jerez, Spain, on Oct. 26 unless Williams withdrew its appeal.

Villeneuve raced in the Japanese Grand Prix in Suzuka last Sunday under an appeal against a one-race ban for ignoring a yellow flag during practice for the race. He gained two points for finishing fifth, giving him a one-point lead over Schumacher, who won the race. Villeneuve now loses those two points.

• Gerhard Berger, 38, said Thursday that he will retire after the European Grand Prix. Berger has made 209 Formula One starts, second only to Ricardo Patrese. *(AP)*

Armstrong Goes Postal

CYCLING A little over a year after he announced that he had testicular cancer and that it had spread to his lungs and brain, Lance Armstrong said Thursday that he had signed with the U.S. Postal Service bicycle team to make his comeback.

"I'm O.K., I'm recovered and I'm healthy," he said in New York. "I'm in remission. I'm not in the clear yet; that will come five years from the date of diagnosis."

Armstrong, the top U.S. bicycle racer before he fell ill and missed the 1997 season, signed a one-year contract. He did not yet know his schedule for next year but said, "I'd like to start racing at the start of the season in February." He said he was training two to four hours a day. *(IHT)*

Raymond Upsets Coetzer

TENNIS Lisa Raymond toppled Amanda Coetzer, the world No. 5, 7-6, 6-3, Thursday at the European Indoor Championships in Zurich.

"Today was a great day," said Raymond, looking for her first career title. "I was forced to play some of my best tennis ever."

Venus Williams reached the quarterfinals without playing when Anke Huber dropped out of the tournament with back spasms. *(AP)*

• Thomas Muster, Magnus Norman and Goran Ivanisevic all gained comfortable victories to move into the quarterfinals of the Czech Open in Ostrava.

Muster, seeded fourth, beat Paul Haarhuis, 6-3 7-6. Norman, seeded seventh, beat defending champion David Prinosil 6-2 6-4. Sergi Bruguera made harder work of beating Jeff Tarango. The Spaniard won 7-6, 3-6, 6-4. *(Reuters)*

Reuters

Sergi Bruguera hitting to Jeff Tarango at the Czech Open.

A Surprise Ending In Basketball B-Movie

But Fans Would Rather See Bulls

By Ian Thomsen
International Herald Tribune

PARIS — The blood-red seats of the Bercy arena were splattered with a few thousand spectators Thursday, the night before Michael Jordan showed up. A major difference between European basketball and the NBA version is that the top clubs from Italy and South America couldn't generate anything like the full house that will surround Jordan and the Chicago Bulls on Friday when they make their debut in the McDonald's Championship.

The opening game was a disaster for Benetton Treviso, the Italian champion, which was upset, 87-78, by the South American champion, Atenas de Cordoba. The Argentine club played the more fluid game and will provide an interesting foil for the European champion, Olympiakos Piraeus of Greece, in the semifinal Friday.

The crowd grew slightly before the other first-round game between the home team, PSG Racing, the French champion, and FC Barcelona, which won the Spanish championship last season. The winner of that game will meet the Bulls in the semifinal of this exhibition tournament which claims, for lack of any better alternative, to be a world championship for clubs.

Barring one of the biggest upsets in the history of the game, the Bulls will advance to the final Saturday night. No team of NBA players in seven previous McDonald's Championships or in the last three Olympics has lost in 44 international games. The teams in the McDonald's are playing to a combination of NBA and international rules.

The general tone of questioning by reporters Thursday was whether any of the five non-NBA teams could possibly upset the Bulls.

"No one expects us to beat Chicago," said Jerrod Mustaf, the former NBA forward who plays for the Spanish champion, Barcelona. "We just lost to Manresa" — a typical Spanish club — "a couple of days ago, so we think we can beat Chicago?"

The NBA teams generate greater interest in these tournaments because their league is all about marketing and promotion, whereas the European clubs are run under the umbrella of FIBA, the international basketball federation, which is just beginning to think in commercial terms. The other differences, which FIBA won't be able to solve with a beefier marketing department, are America's superior talent and Europe's lack of native enthusiasm for the game.

Jordan — and the thousands of his fellow Americans who play professionally around the world — grew up playing on driveways and playgrounds, mostly without parental supervision. Their ambition for the game is unparalleled. In Europe most young players are members of clubs, and too much of their basketball is played in front of coaches with referees restricting the contact. For American players the game is instinctive; for the Europeans it is learned, in much the same way that American youngsters are taught to play soccer rather than learning it themselves in alleys or at pick-up games.

"Some of these coaches, you see them carrying books around," said Steve Rich, a forward from the University of Miami who played in France and Puerto Rico in the last year before helping Cordoba with 13 points and 9 rebounds Thursday. "They learn offense from books. I've seen the books. You see a big basketball on the front and the word 'coaching' or something like it in another language."

Phil Jackson, the Bulls coach, majored in philosophy, psychology and religions in college, but he refused to study basketball from an intellectual perspective.

"Then a former coach I had, Red Holzman, said, 'You'd better understand some of the theory of the game,' because he thought I would make a good coach," Jackson said. "So I read John Wooden and I read a coach who is an assistant on my bench, Tex Winter, who has been in the business for 50 years."

Jackson's triangle offense is one of the most sophisticated systems in the NBA, and it isn't learned easily. Defensively he demands discipline of the highest order from his players. But in other ways he abides by a sense of respect for his players' talents, as if each man's unique skills are a matter of personal expression. "A lot of the skills are taught by the players themselves while they're developing their love for the game," Jackson said. "It's really a relatively simple game — like soccer."

Dave Caulkin/The Associated Press

GOING HOME — Justin Leonard driving at the clubhouse on the Old Course at St. Andrews on Thursday in the first round of the Dunhill Cup. Leonard made nine birdies as the United States began its defense of the Alfred Dunhill Cup with a 2-1 victory over Argentina. Leonard beat Jose Coceres, 65-72, and Angel Cabrera beat American Brad Faxon, 68-72, before Mark O'Meara beat Eduardo Romero on the first extra hole in the final match. France upset fourth seeded Australia, 2-1. Zimbabwe, the No. 2 seed, beat South Korea, 2-1.

Raul Lifts Madrid to 2d Place in Spain

Compiled by Our Staff From Dispatches

A superb lobbed goal by Raul helped Real Madrid to a 2-0 victory at Sporting Gijon — lifting the Spanish champions to second in the top league behind their arch-rivals from Barcelona.

Raul's goal, which came after a fine move by Clarence Seedorf, was the highlight of a dull game against the only side in the first division still without a point after six games. The newly signed striker Fernando Morientes had headed home the opening goal.

WORLD SOCCER ROUNDUP

Atletico Madrid beat Merida, 4-0, Wednesday to move into third place, three points behind Real.

The second division match between Rayo Vallecano of Madrid and Lleida was brought to a premature end in the 86th minute when Rayo was reduced to just six players after having four players sent off and, finally, another injured.

According to FIFA rules, teams cannot play with fewer than seven players.

Rayo lost 3-1.

MLS Chris Henderson scored with three minutes left to lift the Colorado Rapids to a 2-1 victory over the Dallas Burn to reach the Major League Soccer championship game.

The Rapids, who entered the postseason with the worst record of any playoff team (14-18) in the two-year history of the league, will meet the defending champions D.C. United at MLS Cup '97 on Oct. 26 in Washington.

United clinched a spot in the final earlier Wednesday, blanking the Columbus Crew in the Eastern Conference championship match in Columbus, Ohio, 1-0.

GERMANY Marcell Fensch learned the hard way to dress properly. Fensch was fined by his club Thursday for an embarrassing incident two days earlier.

Fensch, a Cologne substitute, leaped to his feet eager to take the field in a German first division match against Schalke. Then he realized he had left his shirt back in the team's dressing room.

While another substitute raced off to get it, the depleted Cologne side conceded a goal, eventually losing, 2-0.

BRAZIL A busload of Corinthians fans blocked one of the main highways into Sao Paulo, then ambushed and stoned the bus of their own team as it was returning from a game, players said.

Corinthians midfielder Neto said Wednesday that after forcing the team bus to stop, the fans attacked it with sticks and threw stones. The team had lost, 1-0, to Santos in a game played Tuesday.

For This Top Female Cyclist, Manhattan Is the Place to Be

By Samuel Abt
International Herald Tribune

SAN SEBASTIAN, Spain — With its roads resurfaced for the world championships, its small climbs affording a view of the surf in the Bay of Biscay and its general air of soft comfort, San Sebastian is a nice place to ride a bicycle, Elizabeth Emery would certainly agree.

But, as the song goes, she'll take Manhattan.

"It's not for every racer, but I think it's perfect," she said about New York as she stood by the side of the road here last weekend, holding out water bottles to her American teammates in the women's road race. Emery, who finished a splendid fifth in the time trial last week — the best U.S. performance at the championships — was the alternate for the six-woman road team.

"I love New York for training," she continued. "The only drawback for me is the winter."

Traffic? Nah. "The roads are wide — there's room for a bicycle and all the cars. You have to be careful, you have to be attentive, but it's the same anywhere."

Potholes? "The roads are great. We ride a lot in New Jersey on 9W, and it has a huge shoulder, you just ride out."

Bicycle theft? "I've had two three-speed bikes stolen," she admitted. "In my apartment building, believe it or not. In the lobby. But I now use two locks, so I'm not worried."

Emery, 33, is happy to count the ways in which she loves living and training in Manhattan for races around the world. She is the national time-trial champion and says of racing, "That's my job. Full-time." Her husband, Evan Wachs, is a computer programmer for Bloomberg, the financial news service.

Neither is a native New Yorker: He comes from Cleveland, and she was born in Boston and reared in and around Philadelphia.

"I went to the University of Pennsylvania, and when I got out of school, I wanted to live in New York, so I moved there," she said. "I always thought it was so exciting, and I still really like it."

Emery arrived in 1987 with a degree in art history and Italian and found a job in, she says, the rag trade: "I worked there for five years, designing textiles for a company that sold to clothing manufacturers." The job led her into bicycle racing in a course as circuitous as any at the world championships.

"I was biking to work," she said, "and beginning not to like my job so much and wondering what I could do to meet people, and I realized that the part of the day I really liked best was riding to and from work.

"So I joined the New York Cycle Club and hooked up with an awesome group of people. I discovered the sport through them. Somebody convinced me then to join the Century Road Club Association in Manhattan too, and I got incredible support from them.

"I started getting better and better, and the women I was riding with — there were four of us — decided to form a team, and we got sponsorship, and there you go." After riding for the L.A. Sheriff and Saturn teams, she competes now for the Klein team.

Emery has had a busy year, riding in New Zealand, where she finished fifth, with a daily stage victory, in the Street Skills Women's Cycle Classic and then for six weeks in Switzerland and in the Women's Tour de France, where she finished second in one stage, was the highest-placed American in both time trials and ultimately finished 39th.

The problem was the mountains. "I climb well," she said, "but I'm never going to climb with the superclimbers. The time trial is my strength, but the other strength I have is my strength. I can do team work."

In U.S. competition this year, she was third in the Fitchburg Longsjo Classic, where she won a stage, fourth in the Tour de Toona and 14th in the Redlands Bicycle Classic.

All of this is far from her earlier sports experience, which consisted in junior high school of soccer and riding her bicycle seven miles from home to school each day.

Nowadays, a seven-mile ride is virtually a sprint, even if she is simply on her three-speed bicycle on her way shopping or going to a gym.

She calls that "commuting." Her bigger bicycles are for training.

"I ride in Central Park when I'm doing an easy day, mainly an hour or an hour and a half," she said. "Central Park is great for shorter rides. Mostly I go over the George Washington Bridge, end up in Fort Lee and go into the roads of New Jersey.

"The best racing is outside Central Park, like Harriman State Forest. If you want to, in New York you can race Tuesday, Wednesday, Thursday, Saturday and Sunday."

Winter weather is a problem she avoids by going to Carmel, California, where her parents live, and training there for two or three months. Afterward, she said, she's ready again for the excitement and activity of New York.

"There are races now with 40 people on the line," she said, "and when I started, I was lucky to have eight. New York is where the racing is supercompetitive and strong, and I always have training partners to ride with. Where can you beat that?"

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BASEBALL

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Baltimore*	000	000	000	00	—0	10	0

(11 innings)

Nagy, Assenmacher (8), M. Jackson (8), Br.Anderson (10), Mesa (11) and S. Alomar; Mussina, Ro.Myers (9), A. Benitez (11) and Hoiles. W—Br.Anderson 1-0. L—A. Benitez 0-2. Sv—Mesa (2). HR—Cleveland, T. Fernandez (1).

(Cleveland wins series 4-2)

BASKETBALL

NBA PRESEASON

WEDNESDAY'S RESULTS

Toronto 124, Philadelphia 118
New Jersey 123, Boston 116
Phoenix 111, Houston 100
Vancouver 83, Dallas 79

HOCKEY

NHL STANDINGS

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	W	L	T	Pts	GF	GA
Washington	6	1	0	12	27	13
Philadelphia	5	2	1	11	24	17
New Jersey	3	2	0	6	13	12
N.Y. Rangers	1	2	4	6	15	17
Florida	2	2	1	5	13	14
Tampa Bay	2	3	1	5	13	13
N.Y. Islanders	1	2	2	4	11	13

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Boston	4	3	0	8	22	22
Ottawa	3	2	2	8	19	18
Pittsburgh	3	3	2	8	17	19
Montreal	2	1	2	6	12	10
Buffalo	2	3	2	6	18	20
Carolina	1	5	2	4	17	25

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	5	1	1	11	27	14
St. Louis	5	1	0	10	21	12
Dallas	3	2	1	7	20	13
Phoenix	3	2	1	7	17	17
Toronto	2	4	1	5	12	18
Chicago	0	6	0	0	6	24

First Period: None. Second Period: None. Third Period: W-Simon 1 (Bondra) 2, W-Johansson 3 (Pivonka) (en). Shots on goal: W- 4-8-11—23. C- 12-8-10—30. Goalies: W-Kolzig. C-Terreri.

Colorado	3	1	2—6
Edmonton	0	1	1—2

First Period: C-Deadmarsh 4 (Forsberg, Gusarov) 2, C-Forsberg 3 (Foote) 3, C-Ozolinsh 1 (Kurri, Forsberg) Second Period: E-Mironov 1, S. C-, Komensky 2 (Ozolinsh, Selak) (pp). Third Period: E-Smyth 2 (Weight, Arnott) (pp). 7, C-Sakic 4 (Forsberg, Kamensky) (pp). 8, C-, Kurri 2 (Forsberg, Ozolinsh) (pp). Shots on goal: C- 10-2-7—19. E- 9-17-24—50. Goalies: C-Roy. E-Joseph.

Boston	1	3	1—5
Los Angeles	0	1	2—3

First Period: B-Donato 3 (Bourque) Second Period: L.A.-Perreault 4 (Robitaille, O'Donnell) 3, B-Kvartalnik 3 (Samsonov) 4, B-Allison 2 (Carter, Elliott) 5, B-Sullivan 1 (Taylor, Axelsson) Third Period: L.A.-O'Donnell 1 (Laperriere, Smyth) (pp). 7, L.A.-Murray 3 (Stumpel) 8, B-, Taylor 4 (Axelsson, Sullivan) (en). Shots on goal: B- 11-11-5—27. L.A.- 14-13-14—41. Goalies: B-Dafoe. L.A.-Fiset.

Philadelphia	0	0	2—2
Anaheim	0	1	1—2

First Period: None. Second Period: A-Rychel 1 (Janssens, Drury) Third Period: P-LeClair 6 (Coffey, Lindros) (pp). 2, P-Lindros 6 (Coffey, Prospal) 4, A-Sandstrom 2 (Mironov, Young) (pp). Overtime: None. Shots on goal: P- 9-11-9-3—32. A- 9-14-12-0—35. Goalies: P-Hextall. A-Shtalenkov.

SOCCER

SPANISH FIRST DIVISION

Espanyol 1, Compostela 0
Atletico Madrid 4, Merida 0
Salamanca 0, Oviedo 2
Real Sociedad 2, Celta Vigo 1
Deportivo Coruna 1, Valladolid 3
Sporting Gijon 0, Real Madrid 2
Valencia 1, Athletic Bilbao 1
Tenerife 2, Racing Santander 2
Real Betis 3, Zaragoza 3

STANDINGS: Barcelona 18 points Real Madrid 14; Atletico Madrid 11, Mallorca 11, Celta Vigo 11, Espanyol 10, Racing Santander 10, Real Sociedad 10; Real Betis 9, Oviedo 9; Tenerife 8; Zaragoza 7, Athletic Bilbao 7; Deportivo Coruna 6, Compostela 6; Valencia 4, Salamanca 4; Valladolid 3; Merida 2; Sporting Gijon 0.

GERMAN BUNDESLIGA

MSV Duisburg 0, Hansa Rostock 1
FC Kaiserslautern 3, Arminia Bielefeld 1
Bayern Munich 3, VfB Stuttgart 3, tie
Bor. Moenchengladbach 5, 1860 Munich 1
STANDINGS: FC Kaiserslautern 25 points; Bayern Munich 21; Schalke 18; Hansa Rostock 17; MSV Duisburg 16; Hamburg SV 15, VfB Stuttgart 15; Bayer Leverkusen 14, Werder Bremen 14, VfL Wolfsburg 14; Moenchengladbach 13; Arminia Bielefeld 12; Karlsruher SC 11; FC Cologne 10; Borussia Dortmund 9, 1860 Munich 9; VfL Bochum 8; Hertha Berlin 6.

BRITISH LEAGUE CUP

THIRD ROUND

Chelsea 1, Blackburn 1
(Chelsea 4-1 on penalty kicks)
Coventry 4, Everton 1
Middlesbrough 2, Sunderland 0
Newcastle 2, Hull 0
Stoke 1, Leeds 3
Tottenham 1, Derby 2
West Bromwich Albion 0, Liverpool 2
West Ham 3, Aston Villa 1

SCOTTISH LEAGUE CUP

SEMIFINAL

Aberdeen 1, Dundee United 3

MAJOR LEAGUE SOCCER

CONFERENCE FINALS

EASTERN CONFERENCE
D.C. 1, Columbus 0
(D.C. wins series 2-0)

WESTERN CONFERENCE
Colorado 2, Dallas 1
(Colorado wins series 2-0)

CRICKET

PRESIDENTS' CUP

KENYA VS. ZIMBABWE

Kenya: 207-9 in 50 overs
Zimbabwe: 210-3 in 41.3 overs
Zimbabwe won by seven wickets.

TRANSITIONS

BASEBALL

MLB—Assigned Tampa Bay Devil Rays to AL East, Arizona Diamondbacks to NL West and moved Detroit Tigers from AL East to AL Central.

FOOTBALL

NATIONAL FOOTBALL LEAGUE
ARIZONA—Waived K Kevin Butler. Signed K Joe Nedney and DB Kevin Minefield.
BALTIMORE—Signed DE Keith Washington to 2-year contract. Waived LB Tyrell Peters.
BUFFALO—Waived QB Billy Joe Hobert.
OAKLAND—Signed LB Aaron Wallace to 1-year contract.

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صكنا من الاصل

SPORTS

Stars Shine As Colorado Dominates Edmonton

The Associated Press

Peter Forsberg and Patrick Roy, the two Colorado Avalanche stars, dominated as their team beat the Edmonton Oilers.

"I've been struggling the last couple of games, but I felt good tonight and everything went in," said Forsberg, who had a goal and four assists in the 6-2 victory Wednesday.

Meanwhile, Roy made sure that just about everything stayed out — of the Avalanche net. He made 48 saves. His team was on the short end of a 50-19 count in shots on goal.

The Avalanche remained the only unbeaten team in the NHL.

Forsberg set up Adam Deadmarsh for Colorado's opening goal, redirected Adam Foote's point shot for Forsberg's third goal of the season, then assisted on three other goals for a five-point night.

"When he's controlling the puck, it's like it's on a string," said Marc Crawford, the Colorado coach.

NHL Roundup

Maple Leafs 4, Red Wings 3 Felix Potvin stopped 30 shots, and Mathieu Schneider had three assists as Toronto handed Detroit its first loss.

Senators 5, Rangers 1 Daniel Alfredsson's return to the Ottawa lineup sparked the Senators to their biggest score of the season.

Alexei Yashin, the Ottawa center, scored his first two goals of the season, and Alfredsson had two assists while playing on what amounted to the Senators' third line.

Panthers 2, Lightning 1 In Miami, Dave Nemirovsky had a goal and assisted on the winning score, and John Vanbiesbrouck stopped 24 shots to lift Florida over Tampa Bay. With the game tied 1-1 in the second period, Nemirovsky backhanded a pass to Dave Gagner in the slot. Gagner whirled and flipped the puck over Daren Puppa for the go-ahead goal with 32 seconds left.

Sabres 3, Hurricanes 3 Geoff Sanderson scored a power-play goal with 1:59 left in regulation to give Carolina a tie with visiting Buffalo.

Canadiens 1, Penguins 1 In Montreal, Ken Wregget made 34 saves to give Pittsburgh a tie in Montreal.

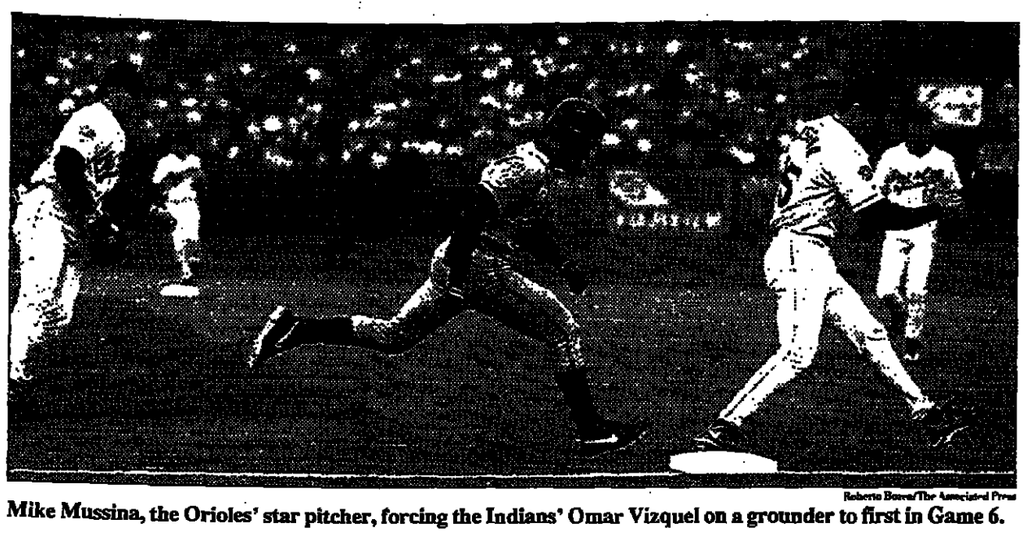
Gary Valk of Pittsburgh took a pass from Alex Hicks in front of the Montreal net and beat Jocelyn Thibault on a wrist shot just before the end of the first period.

Capitals 2, Blackhawks 0 Chris Simon scored with 11:54 to play, converting a pass from Peter Bondra, and Olaf Kolzig made 30 saves as Washington kept Chicago winless.

The smallest regular-season crowd in the United Center's four seasons, 14,240, watched the Blackhawks fall to 0-6, their worst start in 30 years. Washington improved to 6-1, matching the best start in the team's 24-year history.

Bruins 5, Kings 3 Dmitri Khristich keyed a three-goal barrage in the second period, and Byron Dafoe stopped 38 shots as the two ex-Kings helped Boston win at Los Angeles.

Flyers 2, Mighty Ducks 2 Tomas Sandstrom scored with 4:32 left in the third period to give Anaheim a tie with visiting Philadelphia.



Roberto Borea/The Associated Press

Mike Mussina, the Orioles' star pitcher, forcing the Indians' Omar Vizquel on a grounder to first in Game 6.

Marlins Spent Their Way to the Top

Shifting Strategies Finally Settled on Big Free-Agent Signings

By Buster Olney
New York Times Service

ATLANTA — With a giddy entourage surrounding him, H. Wayne Huizenga, owner of the Florida Marlins, tumbled out of the visitors' dugout at Turner Field almost an hour after the Marlins had eliminated the Atlanta Braves.

Huizenga and his friends, wearing Champagne-soaked T-shirts over their shirts, ties and sweaters, did what every kid would have done. They took a victory lap around the bases Tuesday, in joyous disorder, the fastest among them stumbling across home plate, the slowest making the trek with a cane, Huizenga in the middle of the pack.

The Marlins' route to the National League title, from their birth as an expansion team in 1993, was as circuitous as the path of some of those circling the bases.

They will play host to Cleveland in Game 1 of the World Series on Saturday. They have come this far in only their fifth year of existence, the fastest ascent of any expansion team, which suggests a straight line from top to bottom.

But the Marlins, in fact, have had a strange five-year history, seemingly adopting and then discarding organizational strategies as quickly as their fretful manager, Jim Leyland, changes pitchers in the late innings.

Entering the National League the same season as the Colorado Rockies, the Marlins were once considered the more conservative of the two franchises. While the Rockies immediately filled their roster with older, more established players, Florida's strategy for the 1992 expansion draft was to pluck young prospects from the minor league systems of other teams.

The Marlins also concentrated on acquiring Latin American players to appeal to the Spanish-speaking population around Miami.

However, the Marlins' selections in the expansion draft provided little long-term dividend.

The Marlins won 64 games in their first season and drew more than 3 million fans. But while the Rockies quickly established themselves as an exciting offensive team that hit a lot of home runs, the Marlins were a work in progress.

Interest in them in South Florida waned somewhat in 1994, when the Marlins went 51-64 before the labor wars between owners and players wiped out the rest of that season.

The labor struggle seemed to hurt the Marlins more than most teams.

Colorado continued to fill its ball park and qualified for the playoffs in 1995; the Marlins drew only 1.7 million in 1995, and the team continued to play sub-.500 baseball. The same trend continued in 1996, with the Marlins' season-ticket base plummeting to 12,000, a nearly 50 percent drop from the first year.

Fed up with the slow decline, Huizenga became determined to alter the team's direction after the 1996 season. The Marlins tried and failed to sign Albert Belle, offering the free agent outfielder $10 million a season. But they did land a handful of other stars, signing Bobby Bonilla to a four-year, $23.3 million deal, pitcher Alex Fernandez to a five-year, $35 million contract and Moises Alou to a five-year, $25 million deal.

In all, the Marlins spent $89 million on free agents. In addition, they gave Leyland a $7.5 million contract to manage and gave Gary Sheffield a $60 million extension. If it worked for George Steinbrenner and the Yankees, Huizenga's logic seemed to be, then it would work for the Florida Marlins. But the strategy did not work, at first.

Rather than abandoning the beaches and flocking to Pro Player Stadium, South Floridians' interest in the Marlins was lukewarm at first this season.

The team did not really perform to expectations, either.

His patience at an end, Huizenga announced in June that he was selling the team. "We have lost money every year," he said at the time. "The simple answer is, we are not willing to sustain the losses."

The Marlins began playing better, however. They clinched a wild-card playoff berth, finishing second to the Braves in the National League East, and soon Huizenga was running around the bases at Turner Field with his friends. Interest in the Marlins has never been higher, their season-ticket base is sure to increase.

And what of the sale? "We'll have to think that thing through later," Huizenga said in the Marlins' clubhouse, through streams of Champagne. Like the victory lap, yet another 90-degree turn for the Marlins' franchise.

AL Team to Switch Leagues

By Mark Maske
Washington Post Service

BALTIMORE — Baseball's team owners approved a small-scale, compromise realignment plan by which one American League club, probably the Kansas City Royals or the Milwaukee Brewers, will move to the National League next season.

It was the first time in Major League history that owners had voted to move a team from one league to the other.

The Tampa Bay Devil Rays were placed in the AL East as a result of Wednesday's telephone vote. The other 1998 expansion franchise, the Arizona Diamondbacks, was put into the NL West. The Detroit Tigers will shift from the AL East to the AL Central next year, and the AL will be left with 14 teams and the NL 16.

Each league will continue to have three divisions, with the NL Central expanding to six teams. The Royals have been given the option of moving from the AL Central to the NL Central, baseball officials said. The Brewers apparently will shift leagues if the Royals don't, although the Minnesota Twins also have been mentioned as an outside possibility.

Acting Commissioner Bud Selig, owner of the Brewers, said there would be further realignment of the Major League teams but not in time for next season.

"What we have accomplished today is only the first step," Mr. Selig said in a written statement. "We have taken care of the two most immediate concerns — moving Tampa Bay into a more agreeable geographical division and creating a 16-14 league alignment."

Mr. Selig said that there are "a number of options" regarding which team will shift to the NL. That determination will be made following the World Series, the owners announced. The owners also extended the deadline for approving realignment by a majority vote in each league, rather than the customary three-quarters, to Oct. 31, 1998. The Devil Rays and Diamondbacks can be moved without their consent following the 1999 season.

Homer in 11th Sends Indians to the Series

Fernandez Hit Beats Orioles, 1-0

By Mike DiGiovanna
Los Angeles Times

BALTIMORE — The Cleveland Indians completed a stunning run to the World Series with another we-can't-make-this-stuff-up story line, beating the Baltimore Orioles, 1-0, in an 11-inning thriller to clinch the American League championship series, four games to two.

A Camden Yards crowd of 49,075, on their feet and roaring throughout a drama-drenched, overcast, 57-degree afternoon, fell silent when Tony Fernandez, a last-minute addition to the lineup, homered over the right-field wall with two outs in the 11th off reliever Armando Benitez.

The homer was Fernandez's second big hit of the day. His first was a batting-practice liner that drilled teammate Bip Roberts on the left thumb and knocked the Indian second baseman out of the game — and Fernandez into it.

"I'm not even going to try to explain it any more," Roberts said, noting the irony of his injury and a series in which just about every fluke play and weird bounce went the Indians' way. "I know the Lord works in mysterious ways, but today He was at an all-time high."

In typical Indian fashion, their winning pitcher Wednesday was Brian Anderson, a reliever who was not on the team's division series roster and was activated as an 11th pitcher for the league championship series.

Anderson struck out two of four batters in the 10th, and Jose Mesa caught Roberto Alomar looking at a third strike with a runner on first in the bottom of the 11th to end the game.

"Does this even surprise you any more?" Anderson said amid a somewhat controlled postgame celebration. "Bip takes a liner off the hand from Fernandez, Tony replaces him and hits the game-winning home run. I'm wondering, 'What in the world am I doing in a 0-0 game in the 10th inning?' Nothing surprises me with this team."

It should come as no surprise that Cleveland won Game 6 despite being thoroughly dominated for the second time this series by Mike Mussina, who gave up one hit and struck out 10 in eight innings.

Or that they won despite being outhit, 10-3. Or that they won a World Series berth opposite the Florida Marlins even though they hit .193 with 62 strikeouts in six games against the Orioles.

Call it fate, call it destiny, call it what you want, but the bottom line is the Indians came through in clutch situations time after time, winning all four league championship series games — and two of three in the division series over the New York Yankees — by one run. They will face the Florida Marlins in the Series, starting Saturday.

"Man, my hair is falling off," said Omar Vizquel, the Cleveland shortstop. "This has been an unbelievable series. I'm getting tired of suffering. Every game has come down to one pitch, one play, one hit."

Cleveland's starter, Charles Nagy, fought off early control problems to pitch 7⅓ scoreless innings, giving up nine hits, but he said it was "easier pitching in that game than sitting on the bench for the last three innings."

While some teammates prayed in the dugout during the tense 11th inning, Roberts resorted to an unprecedented stress-reducer.

"I have never in my life smoked a cigarette, but I smoked one in the 11th inning — all of it," Roberts said. "It was the nerves, man. I'll probably never do that again."

Cleveland's manager, Mike Hargrove, also had a smoke, but his was a big fat victory cigar, one that was well-deserved. It was Hargrove who called a rare defensive play in the seventh inning that helped thwart a Baltimore rally.

The Orioles, who went 0 for 12 with runners in scoring position, threatened in the seventh when Mike Bordick and Brady Anderson singled. Alomar dropped a bunt to third, but the Indians put on the "wheel" play, where third baseman Matt Williams charges and Vizquel covers third.

Williams fielded the bunt and threw to third in time to force Bordick, and Nagy got Geronimo Berroa to ground into an inning-ending double play.

The Indians had only five baserunners when Fernandez went up against Benitez in the 11th. Benitez, who gave up a game-winning homer to Marquis Grissom, the series most valuable player, in Game 2 and a game-winning single to Sandy Alomar in Game 4, threw a 2-0 split-finger fastball that Fernandez hit over the wall.

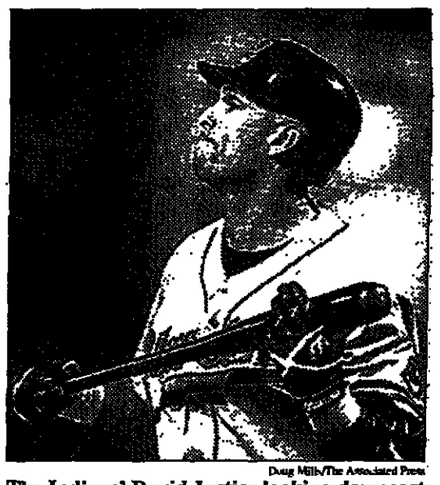
"As a little kid you see yourself winning a big game with a home run," Fernandez said. "Gosh, what a feeling!

"I don't believe in destiny, but I believe the Lord wanted me to be in the game for some reason."

■ *Cuban Defector to Start*

The youngest millionaire in a clubhouse full of them will pitch for the Marlins in Game 1 of the World Series, The Associated Press reported from Miami.

Livan Hernandez, a 22-year-old Cuban defector, gets the start Saturday against the Indians.



Doug Mills/The Associated Press

The Indians' David Justice looking downcast after he struck out with two men on base.

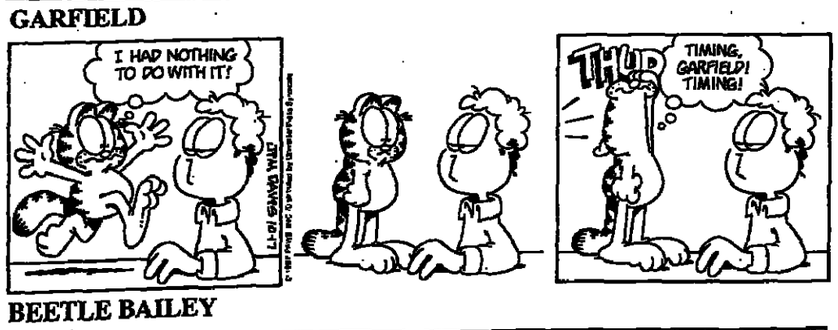
DENNIS THE MENACE

"WELL, SO FAR THE MITCHELLS HAVE A GOOD COMMUNITY SERVICE RECORD... THEY'VE ONLY HAD ONE KID."

PEANUTS

CALVIN AND HOBBES

GARFIELD



WIZARD of ID

BEETLE BAILEY

NON SEQUITUR

DOONESBURY

GARFIELD

BLONDIE

JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

SABIN

RIVOS

MAPCEN

CARNID

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon

Answer: _____ (Answers tomorrow)

Yesterday's Jumbles: LIGHT ALIVE HELIUM PILFER
Answer: What the plastic surgery did — GAVE HER A "LIFT"

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POSTCARD

A Space Odyssey

By Mitchell Owens
New York Times Service

NEW YORK — It is impossible to climb the stairs of the 1997 French Designer Showhouse and not imagine that you have stepped into a three-dimensional version of a brain-teaser cartoon for Sunday-bored children.

Remember, this is a show house, so what is wrong with this picture? Con-Tact paper posing as bird's-eye maple. Place mats turned into lampshades. Terrazzo floor tiles on a kitchen counter top, and Corian, that ubiquitous counter material from DuPont, transformed into Mondrian-mosaic walls.

And what about that bed in Jane Victor's and Jennifer Ellenberg's fifth-floor aerie, a steel platform eerily suspended by industrial-strength cables like something out of "2001: A Space Odyssey"?

□

The French Designer Showhouse, running through Nov. 16, is not the typical show house. The trompe l'oeil finishes alone tell the story. Unlike the laborious fool-the-eye surfaces that have been a show-house cliché, the "tortoise-shell" pilasters in Odile de Schietere's dining room are not trying to fool anyone. Though wonderfully executed, their essential humbleness is front and center: wood boards casually tacked into place.

This straightforward application gives de Schietere's room — where a wrinkly, rudely nailed canvas floor cloth cuts the Russian neoclassical chairs and marble-top consoles down to size — an appealingly temporary, dégagé air, like a party tent pitched for just one night.

It is a neat trick, and more important, an apt symbol for a show house that is perhaps the most innovative in America, where fantasy and accessibility come together in one tidy inspirational package.

First, an explanation. The title of the show house, held this year in an 1878 town house on 67th Street is somewhat misleading. Of the 20 designers and 17 artisans, only three — Jacques Grange, Odette Boulenger and Paul Mathieu — live and work in France. The rest are Americans, though some are French-born.

□

The cultural designation of the show house derives largely from the name of its beneficiary: the American Hospital of Paris Foundation. But then there is the invention that the word "French" implies.

These designers seem well aware that a majority of show-house visitors never hire decorators — magazines, not show houses, attract more new clients — and so they have tried nothing blatantly commercial. Which means no chintz, no antiques with stellar provenance, no robber-baron grandeur.

Instead, the designers have had fun, offering settings, details and solutions that ought to remind decorators and clients alike that the designer worth hiring is the one with a nimble mind, not just a business card.

What these shopper-friendly settings mean to the rarefied genre of decorator show houses will cause serious debate in some circles, outrage in others. But the ramparts have been breached: Merchandising in show houses is here. Get used to it.

Public vs. Private: Testing a Collector's Will

By Sarah Lyall
New York Times Service

GLASGOW, Scotland — This scrappy city owes a great deal to Sir William Burrell, a very rich and somewhat cranky shipping magnate best known for the extraordinary collection of art he amassed with canniness and taste during his long life. In 1944, 14 years before he died at age 96, Burrell donated his eclectic collection of more than 8,000 works to Glasgow, no questions asked (well, almost none).

In 1983, after years of wrangling, the city housed the Burrell Collection — ranging from paintings by Degas and Rembrandt to exquisite medieval tapestries and Chinese antiquities — in a specially built museum in a rolling country park that helped put Glasgow on the world's artistic map. But with attention waning recently (last year, 300,000 people visited the Burrell, down from 1 million in the mid-1980s), the city is eager to raise the collection's profile again, specifically by allowing the art to travel to exhibitions around the world.

A view of part of the Burrell collection in its Glasgow home.

In an awkward development, however, the city's wishes have come smack up against the wishes of Burrell himself, who was very strict about where he wanted his collection to go. "The Donees," Burrell stipulated in 1944, referring to Glasgow, "shall be entitled from time to time to lend temporarily to responsible bodies any article or articles forming part of the collection as they may think fit for exhibition in any public gallery in Great Britain." Significantly, he made no mention of lending to anyone else.

Fifty-three years later, that requirement has become the focus of a bitter dispute over what Burrell's intentions really were and how to interpret them today. With the trustees of the Burrell Fund, which administers the money he left along with his collection, implacably opposed to the city's efforts, Glasgow is seeking to get parliamentary permission to break the terms of the trust and free the art for travel. The case, which is costing hundreds of thousands of dollars on both sides, is being heard now by a special parliamentary commission, a four-member, quasi-judicial body that will recommend a course of action to Parliament as a whole.

In 1985, Parliament gave Scotland's national collections the right to alter terms of bequests after 25 years; Britain's national collections got the same right, extended to 50 years, in 1992. But museums have exercised the right only cautiously, and now museums, galleries and art philanthropists are looking closely at what happens in Glasgow, saying that the outcome of the case could affect the way institutions and donors deal with each other in the future.

"If the conditions were overturned, we're worried that the city of Glasgow and other institutions would lose potential donors," said Alison Cole, a spokeswoman for the National Art Collections Fund, an art charity in London that helps museums acquire art and handles gifts and bequests. "We believe that a donor's wishes have to be respected unless it's absolutely impossible to fulfill the conditions."

Julian Spalding, the director of Glasgow's Department of Museums and Galleries, argues that it is essential for Glasgow to be allowed to lend its art overseas. The issue is particularly relevant now because the city is reeling from extensive budget cuts, of which $3.6 million has come from Spalding's budget over the last two years. The department has already laid off a number of workers and closed most of its museums every Tuesday, in order to save money without having to impose admission charges.

Unless the city can alter the trust, the Burrell and all its art — the Rembrandt self-portrait, the 23 works by Degas, the 150 medieval tapestries, the ancient Grecian urns and Chinese ceramics, the 14 Rodin bronzes — will become "increasingly marginalized as a collection, increasingly sidelined as far as public awareness and scholarly awareness is concerned," Spalding told the commission. "We have a responsibility, as a public collection, to enable the foreign cultures of the world to see their past, as well as for them to be enjoyed within Britain."

But what right does the city have to alter the terms of Burrell's gift? Spalding says it all has to do with context. Because Burrell laid out his conditions decades ago, when sea travel was risky and air travel even riskier, he was understandably concerned about letting his precious collection travel overseas. But the world is a different place now, Spalding argues: travel, packing, shipping and transporting art are all much more sophisticated and much safer.

"I think that had he known about the developments in handling of art and in safe transport around the world, Burrell would have been delighted," he said in an interview. "If we wanted to change the will against the spirit of the will — say, by selling the Burrell Collection — it would be one thing. But all we're trying to do is extend the will."

The conditions seem absurd at times, he said, using as an example a high-profile international Cezanne exhibition, in which one of the Burrell's Cezannes — "Le Chateau de Medan," which the artist painted in about 1880 while staying with a friend, the writer Emile Zola — was included, but only fleetingly.

"It is, honestly, barmy that I could put one of the masterpieces of the collection on an airplane totally legitimately to go from Glasgow to London, where the exhibition was seen by 300,000 people, but I couldn't send it on a plane to Paris, where the same exhibition was seen by 600,000 people," he said.

But the trustees of the Burrell Fund, whose job is to buy new art for the collection from money that Burrell left, say that however sympathetic they are to the city's predicament, they are obligated to follow Burrell's wishes.

None of the trustees would agree to be interviewed, saying that there would be no comment until the commission had finished hearing the case. But a supporter of their views, who spoke on condition of anonymity, said that they had no room to maneuver.

"The trustees don't have a lot of choice," he said. "Burrell never changed his stipulation about lending. You can't guess what Burrell would have said; all you can say is what he did say. And throughout his life, he was saying, 'Do not lend beyond Great Britain.' The condition is not illegal or even impractical; it's merely awkward for the city."

He continued: "There is a message here for those who wish to see it. If you are a benefactor, and you give to a municipal authority and the authority agrees to your conditions and then waits until you die before setting aside those conditions — well, that's cheating.

Would-be benefactors might be less keen to give after that."

Burrell was so proud of his collection — now including close to 9,000 works of art, of which only about a third are on display at any one time — that he would truly want it to be seen by the world, Spalding insisted.

"He was an avid collector, and he knew that he was amassing a public collection," Spalding said. "He wanted to give it to Glasgow, and he wanted it to be seen by as many people as possible. If the director of the Louvre had had him to a banquet and said he wanted to include his tapestries in an exhibition, he would have been delighted."

MOVIES

Reason and Revelation: The 'Destiny' of Youssef Chahine

By Joan Dupont
International Herald Tribune

PARIS — Youssef (Joe) Chahine, the leading filmmaker of the Arab world, has spent a lifetime linking East to West, mixing his own blend of musical romance with historic themes and hidden messages. "People look at my movies as if they were contemporary," he says.

"Destiny," which won the Cannes film festival's 50th anniversary award, is set in 12th-century Andalusia, with the Arab philosopher Averroes, a harbinger of the Enlightenment, as hero, surrounded by sheikhs and caliphs, and disciples with significant names — the exiled Joseph, faithful Nasser, and rebellious Abdallah. The film opens on an auto-da-fe and ends on book burning, but the manuscripts are copied, the word is spread, and only Chahine could create a philosopher who dances when he gets a good idea.

"Maybe part of the picture's success," he said, "is that I'm laying out a thorny question — the issue of fundamentalism — on the table, and having studied in America, I wanted to do it in an entertaining way. Don't bore people, give them adventure, but make them think. So I found Averroes, the philosopher who believed in the coexistence of reason and revelation."

A scene from "Destiny," set in 12th-century Andalusia.

The Egyptian director, a boyish 71, is trim and athletic in faded jeans. He chain smokes through breakfast, and peppers his conversation with expressions like, "O.K., kiddo," and "For Pete's sake." He describes "Destiny" (which just opened in France) as perhaps his most complex film. "But I've been making efforts to be better understood by the public, especially in Egypt," he said. "Not that I make different movies for different audiences, but with a public that is not always educated, you want to avoid being too intellectual, a monopolist of knowledge — the monopolists of God, only they can read what God said, the monopolists of power, all our mass politicians, and now we have monopolists of knowledge.

"When I decided to do a movie on the golden age of Islam, it was because 12th-century Cordoba looked like my Alexandria, where everybody talked to everybody, and everybody made love to everybody, no matter the religion or creed. But in Cairo they gave me a bit of trouble, they wanted a commission to check historical accuracy. I said, I see things visually; if you don't like my point of view, make another film. My movie is not chronological, it's not a thesis." Nor is it set in Spain: Andalusia, too tourist-ridden, was replaced by settings in Syria and Lebanon.

In his 46 years of directing, Chahine has had his troubles with regimes and censorship; he has gone on strike — "I handcuffed myself to the prime minister's gate," he said. "All my projects are high risk, and I fight like mad. I spend 80 percent of my time on politics, 20 percent making movies. Raising money is politics; every penny I make goes back into cinema. I can't afford to stop. And the government is trying to kill cinema by taxing us. They care only about television."

Perhaps his most grueling moment was during the release of "The Emigrant," (1994) based on the story of Joseph the prophet and his flight to Egypt. After nine weeks on the boards in Cairo, the movie was banned.

The director prefers to minimize the searing experience although he lost money and received death threats.

"All because a bearded lawyer said it was illegal to represent a prophet on film," he says. "I think he was subsidized by other extremists — and in cahoots with officials. How can you tell me not to be inspired by the Old Testament, those juicy stories? It's like saying, 'Stop thinking!' But I have to thank that lawyer because he gave me my new movie, which is about someone who stops thinking."

Destiny tells the story of Abdallah, brainwashed by religious zealots.

"But fanatics are not just in Arab countries," he said. "We should stop talking about Islamic terrorism; what about Catholic terrorism or Judaic terrorism? What about those conservative white men in Washington or Le Pen here? People are becoming more ethnic, more religious, more fundamentalist and more terrorist, and sects are everywhere."

The Joseph of "The Emigrant" and the Joseph of "Destiny" have things in common with Joe Chahine, the freewheeling director who studied at the Pasadena Playhouse and learned about entertainment in the '40s, when he went to Hollywood and saw all those lush musicals.

His describes his own family — his father's side is from Lebanon, his mother's from Greece — as a fantastic mess of Christian, Greek, Muslim and Druze. "I just don't get it when people talk about religious frontiers and I don't see God as frightening; he's a pal. I read the Torah, the Koran and the Bible — and a lot of their philosophy comes from Akhenaton, the Egyptian sun king. I grew up speaking five languages and went to an English school for rich boys, although we weren't rich."

His father was a lawyer who cared more about principles than getting ahead, he said. "I learned about honesty, transparency, from him. The moment you lie, you can't be a filmmaker or a creator."

In 1951, Chahine went to Venice "carrying 11 reels of film on my head." The movie was "The Nile's Son." He was 25. "Of course, nobody came, but miraculously, there was a storm and people rushed off the beach to see my movie in bathing suits! Since, I've been making movies for pennies, compared to American or French films.

"It took 30 years to get French help and longer to win at Cannes. When the Cannes public gave me their hearts, the ovation took so long, I turned red, and blue, and green. But I have a split personality — Joe, who went up to get the prize, is very tough — if you want to crack the Western world, you'd better be tough. My second self sat there and wondered, is this the end of a career? A week later, I started writing again."

PEOPLE

AN obscure English author has become an instant millionaire at the Frankfurt Book Fair with publishers clamoring for the rights to a manuscript he handed in only two weeks ago. The center of this excitement is "The Lazarus Child" by **Robert Mawson**, a former pilot and advertising copywriter. It tells the tale of a couple's desperate attempt to bring their daughter out of a coma. "I haven't had time to tot them all up, but he will make easily £2 million ($3.2 million) from book rights and advances alone," said Mawson's literary agent, **Christopher Hill**. Mawson's first effort, "A Ship called Hope," never caught on with critics or readers.

□

The American guitarist and composer **Jim Hall** won the 200,000 kroner ($28,500) International Jazzpar Prize on Thursday. The award was created in 1989 by the Danish Jazz Center. Hall will receive a check and statuette at a ceremony in Copenhagen in April.

□

The couturier **Paco Rabanne** paid tribute to his father — a Communist fighting with the Republicans in the Spanish Civil War, who was shot by a firing squad in 1937 — at a ceremony in Santona, Spain, to commemorate victims of the war. "I came with no bitterness," he said. "I never knew my father. I was only 3 when he died. I came hoping to meet someone who could tell me about him." Rabanne has lived in France ever since his mother fled Spain with her children.

□

Elton John is going to write his memoirs. "I have been approached countless times about writing a memoir, but the time never seemed right," he said, noting that he had just celebrated his 50th birthday. "These and other milestones, professional and personal in nature, lead me to think that the time has finally come." The singer, who has sold more than 200 million records worldwide, said he would collaborate on the book with **Ingrid Sischy**, editor in chief of Interview magazine and contributing editor to Vanity Fair.

Fred Prouser/Reuters

EVENING STAR — **Burt Reynolds** with **Pam Seals** at the Hollywood premiere of his film "Boogie Nights."

□

The heirs of the Three Stooges have taken a Web site to court, claiming that the publisher, Comedy III Productions, uses unauthorized photos, videos and other collectibles. They also seek to block the unauthorized use of **Curly's** trademark pronunciation of the word "certainly." Web surfers are urged to click a button labeled "Soitenly!"

□

The National Book Foundation has announced the finalists for the 1997 National Book Awards, which will be presented Nov. 18 in New York:

FICTION: "Underworld" by Don DeLillo; "Cold Mountain," Charles Frazier; "Le Divorce," Diane Johnson; "Echo House," Ward Just, and "The Puttermesser Papers," Cynthia Ozick.

NONFICTION: "My Brother" by Jamaica Kincaid; "American Sphinx: The Character of Thomas Jefferson," Joseph J. Ellis; "The Kidnapping of Edgardo Mortara," David I. Kertzer; "The Undertaking: Life Studies From the Dismal Trade," Thomas Lynch, and "Whittaker Chambers," Sam Tanenhaus.

POETRY: "Locusts at the Edge of Summer" by John Balaban; "Desire," Frank Bidart; "Primate Behavior," Sarah Lindsay; "Effort at Speech," William Meredith, and "The Fields of Praise," Marilyn Nelson.

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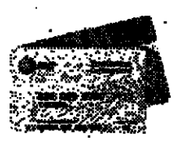

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